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PROVISIONAL APPLICATION FOR PATENT COVER SHEET

This is a r quest for filing a PROVISIONAL APPLICATION FOR PATENT under 37 CFR 1.53(c).

Express Mail Lab l N . EV 401935045 US

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TITLE OF THE INVENTION (500 characters max)

DIGITAL PRIVACY HIGHWAY

16235 60/509669 U.S. PTO
100803

Direct all correspondence to: **CORRESPONDENCE ADDRESS**

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ENCLOSED APPLICATION PARTS *(check all that apply)*

☒ Specification *Number of Pages*	48	☐ CD(s), Number	
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☐ Application Data Sheet. See 37 CFR 1.76			

METHOD OF PAYMENT OF FILING FEES FOR THIS PROVISIONAL APPLICATION FOR PATENT

		FILING FEE AMOUNT ($)
☒	Applicant claims small entity status. See 37 CFR 1.27.	
☒	A check or money order is enclosed to cover the filing fees	
☒	The Director is hereby authorized to charge filing fees or credit any overpayment to Deposit Account Number: 11-1159	$80.00
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The invention was made by an agency of the United States Government or under a contract with an agency of the United States Government.

☒ No.

☐ Yes, the name of the U.S. Government agency and the Government contract number are: _____

Respectfully submitted,

SIGNATURE _____ Date Oct. 8, 2003

TYPED or PRINTED NAME Howard J. Klein REGISTRATION NO. *(if appropriate)* 28,727

TELEPHONE 949-955-1920 Docket Number: 606-56-PP

USE ONLY FOR FILING A PROVISIONAL APPLICATION FOR PATENT

This collection of information is required by 37 CFR 1.51. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.14. This collection is estimated to take 8 hours to complete, including gathering, preparing, and submitting the completed application to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, VA 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. **SEND TO: Mail Stop Provisional Application,**

If you need assistance in completing the form, call 1-800-PTO-9199 and select option 2.

Title: The Digital Privacy Highway

Field of Invention.

The elimination of Individual Information Security caused by technical change and sociological drivers in both the private and public sector is threatening the progress and stability of the Information Society. These problems are being pushed into the centre of discussions in all regions of the world without acceptable solutions.

One basic problem is the assumption that the core question is between anonymity or identification meaning either non-accountability of individual actions or growing dependency on trust and legal regulations to control abuse of identified personal data. The use of Pseudonyms with a Trusted party to prevent criminal abuse is even worse, because this leads to a concentration of either commercial or public power.

This invention comprises a series of closely related and integrated part-inventions that eliminate this assumption eliminating the trade-offs between accountability, freedom, convenience and efficiency. The outcome is the ability to enable free flow of personal data without risk of data abuse by ensuring that the individual remain in control through the basic principle of non-linkable accountability.

This invention solves the core problem of linking the physical world with the digital world with asymmetric linkability. The individual can link everything related to him, but even with free flow of information it is impossible for externals to link data to the specific individual beyond the explicitly created accountability principles that can be created dynamically according to the specific application.

The core invention is implementing the Digital Privacy Highway based on anonymous one-time-only virtual Chip Cards or Privacy Reference Points (PRPs) combined with accountability negotiation and process support related to payments, credentials, delivery, storage, communication and the ability to re-establish contact anonymously. This includes a novel invention of anonymous credit and fully discardable Identity Cards even containing the basic passport, digital signature or international healthcare cards for emergency healthcare support.

These principles are extended to Privacy Device Authentication implementing untraceable Zero-knowledge Device authentication to protect against tracing devices, product tags or individuals in ambient computing. This invention provides a generic zero-knowledge solution to protect low-computation product tags such as RFID or Bluetooth tags from leaking information to the environment. Zero-knowledge product tags are both implemented as product tags attached to products or devices and as proximity tags attached to people or people transportation devices.

Numerous novel privacy solutions is demonstrated to everyday applications such as instant messaging, digital event support, trade support, managed CRM and SCM solutions, electronic voting, anti-counterfeiting money notes, device authentication etc.

Description of prior art.

In electronic transactions protecting both digital and physical privacy is rapidly turning into one of the most significant problems of the Information Society. The escalating of identification and easy linking of Personally Identified or easily Identifiable Information (PII) is driving security risks and problems related to trust between the Client (Individual), the Provider (digital counterpart - whether commercial, government or social) and infrastructure (bank, telecom, shipping, portals, identity brokers etc.).

Smart cards (or chip cards) are devices able to cryptographic computations and securely storing data and Personally Identifiable Information (PII). State of the art Smart Cards are tamper-resistant in the meaning that they will ensure erasure of data in cases of attempt to access data by physically breaking into the smart card. This is essential to protect for instance access to the private parts of digital signature keys.

However except for completely anonymous or 100% card-based transaction solutions there are no solutions able to provide both privacy and convenience support across multiple transactions. Existing approaches to convenience are all based on non-privacy solutions where central trusted parties accumulate commercial control and abusable profiles on individuals.

Background
However even though smart cards promise the ability to reasonably ensure traceability against unauthorised access to PII using standard encryption with Digital Signatures such as Public Key Infrastructure, they prove unable to ensure confidentiality of PII in normal information processes from counterpart abuse.

For instance storing PII on the smart card only to be provided at point of use will not prevent the counterpart storing data and building databases linking PII across multiple transactions and across different counterparts. Smart cards are subject to theft. So the data owner can no longer use the information. Even if NO data were collected at point of use, this would be leaving security to the quality of tamper-resistance.

Rather than real security approaches based on PII are based on trust and legal protection towards counterparts subject to massive problems related to the balance between security, privacy and convenience.

One approach to reduce this problem is for a trusted third party to issue for instance one-time-only cards for internet credit card transactions. Even though these models reduce the decentralised risk, they accumulate central risk and do little to provide real security. Since they link across transactions and counterparts these central databases is an even larger security risk as they are able to create detailed profiles on individuals with no inherent security.

An example of such an approach is US patent application 20010044785 included here by reference discussing many of the general issues related to mail-order commercial transactions. A central server issues proxy names, email and shipping information to

prevent merchant databases from cross-linking. The central server acts as a trusted part knowing the real identity of the end-user.

When using a smart card as a cash card using limited show keys as digital cash (Chaum patent ref. WO0208865) or credentials (Brands xx) and avoiding the use of any persistent identifier (whether person, card or device related) across transactions, the smart card can support anonymous payments or anonymous attribute authentication.

However for multiple applications this approach does not provide a suitable solution and therefore this type of cash card has only limited success. Purely anonymous transactions do little in terms of enabling convenience requirements. Another serious problem is integrating support for these schemes requiring advanced infrastructure support to work.

Storing all data in a on the smart card and having the data owner only presenting non-identifying information on use will not solve the problem.

The basic problem is that most applications will require agent-support from an increasingly intelligent infrastructure such as establishing credit in payments, communicate, negotiate or just providing real-time access to profile information that is not stored on the card. But doing this is not solved without the use of persistent identifiers related to devices such as card numbers or MAC-addresses or the person such as Social Security Numbers or the public part of a Digital Signature.

State of the art in smart card and PKI technology is that there are little or no solutions as to avoid information from daily transactions being collected in databases in ways that are easily traceable to the real identity of the holder of the smart card. Privacy issues can be a blocking factor for the entire Information Society (http://www.eeurope-smartcards.org/Download/04-1.PDF).

State of the art in Digital Rights Management Systems such as US Patent 6,330,670 included here by reference is based on systems that create external linkability to devices or identities. These solutions in addition provide direct addressability of devices and provide the ability to restrict the end-user beyond the interest of Digital Rights Protection. For instance external control of the root CPU can provide the ability to implement restrictions on running software or listening to music from other providers. This can even be implemented later as an element of a forced software update.

Present state-of-the-art in Digital Rights Management System (or Trusted Computing) has not solved the basic problem, because the end-user or end-user devices are externally traceable and the end-user does not have device control destroying both trust end security.

The patent application,"A method and System for establishing a Privacy Communication path", ref. WO0190968, included hereby reference by the same inventor provide a solution to Digital Rights Management Systems tracing mobile phones or

other communication devices. This is done through a chip card implementing multiple context-specific and infrastructure supported identities in order to hide the actual device identity from software running in the device.

The same patent provides several solutions on how to privacy-enhance and secure standard payment card transactions. One security solution is cross-authentication using a second communication channel such as a mobile phone. A privacy measure is a crowd-effect reusing the same credit card across a larger group of people with the same inline cross-authentication using a second communication channel. For online payments the use of one-time-only card references towards a trusted party who can then employ any privacy solution towards the bank payment system.

The same patent application also provide general solutions to strong privacy solutions using smart cards in trusted mobile devices (Privacy Authentication Device) such as Mobile phones, PDAs, portable computers etc. In this solution the context-specific credit card reference is closely linked to a context-specific pseudonym using a Privacy Authentication Device to establish the ability to communicate, trade and enter into legally binding transactions. Herein the Privacy Authentication Device is assumed to either authenticate directly storing multiple keys or establish encrypted non-identified tunnel connections to one of several home bases using reverse authenticates to protect against device trace.

Using the present invention this approach is fully extended to cover all aspects of device communication. This invention is explicitly solving these problems by eliminating the external linkability and direct device control without preventing Digital rights Management.

Through Privacy Enhancing Technologies these problems related to security and trust concerning PII can be solved or at least significantly improved technically.

Invention:

This invention solves the problem of simultaneous privacy, security and convenience in Chip Cards used in un-trusted environments defined as foreign chip card reader. The communication between the chip card and the chip card reader can be either based on physical connection or any wireless communication standard such as WLAN, Bluetooth, infrared etc.

Two main invention parts in combination form the ability to enter into anonymous credit-based transactions.

The invention solves the problem of a Client connecting multiple transactions using the same card across multiple providers and retaining full control over the level of linkability by both Providers and Infrastructure.

- - -

Eliminating trade-off between privacy and convenience through asymmetric linkability and negotiation the balance between Privacy and Accountability

Discardable Identity Cards
Anonymous Credit
Privacy Managed Digital Cash, Credentials, signatures and credit card payments

Privacy Device Authentication for Ubiquitous Computing
RFID, Bluetooth

Privacy-enabling Tickets and other reference payments
Reverse authentication

** Non-linkable accountability **

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This Invention relates to privacy-enhancing convenience and security in digital transactions and the problem of creating a secure and privacy-enhanced infrastructure for multi-application chip cards even in untrusted environments.

This invention solve the problem on how end-users can enter into anonymous transactions and still collect detailed transaction data such as digital invoices or warranties for personal use and decide precisely how much information linkability is created for the service or product supplier.

This invention solves the problem of instant revocation of PKI-type Digital Signatures and protecting chip cards from theft by ensuring no abusable information is stored on the chip card that cannot easily be revoked and the chip card fully discarded.

This invention solves the technical barrier to implementation of Privacy Enhancing Technologies by implementing privacy-enabled digital cash and credentials as managed services.

This invention solves the problem of how to provide anonymous credit.

Further this invention solves the problem of how to privacy-enable RFID or other product identifiers or product controlling devices. By implementing a zero-knowledge authentication process initiated at point-of-purchase the seller or inital producer is able to transfer control to the buyer without others being able to track the product or identity of the owner by traffic analysis or wiretapping wireless or other communication. This invention is easily extendable to implement privacy-enhanced digital keys in all sorts of products or devices.

Several transaction principles are supported with the same invention ranging from anonymous to pseudonymous with standard credit card payments, electronic cash or credit payments combined with pseudonymous convenience and a privacy enhanced

and strong security solution for debit or credit cards payments in Chip Cards in un-trusted environments, i.e. using a foreign chip card reader.

In environments where the only available communication path is an electronic chip card reader provided by the counterpart such as a merchant, problems of how to conduct transactions without leaving identifying information are significant. This is what we can call un-trusted environment since both the counterpart and the infrastructure provider can be assumed to prefer identification and thereby depriving the individual of control of PII.

This invention provides the flexible means for the individual to control the level of linkability of transactions towards the counterpart without limiting convenience or privacy. The smart card will for each transaction issue a unique transaction code and an authentication mechanism which he can later assume control of using a pseudonym which can be anonymous.

The invention provides a solution as to the use of more sophisticated Privacy Enhancing Technologies even if the Provider is not equipped for this. The smart card communicates with a service provider which translates the advanced and sophisticated PET technologies like Digital Cash, Credentials etc. into more simple standards such as credit card protocols or verified Client profiles.

In addition the invention provides the solution to a series of core problems related to the balance between convenience and Privacy including Anonymous Credit and infrastructure support of multi-application privacy enhanced smart cards.

Disclosure of the Invention

This invention is based on two key inventions.

Firstly the means to turn a physical chip card into multiple virtual and non-linkable chip cards by use of one-time-only Privacy References (PRPs) replacing Persistent Card identifiers such as for instance credit card number. This is combined with means to later reconnect to the transaction through a non-identifying communication network. By inserting these Cards into fixed, wireless or mobile Card Readers, the Client is provided with the means to intelligently manage multiple virtual identities and receive personalised services while still retaining control of the ability of others to link personal data to the real identity of Client.

Secondly the means for Clients to take control of electronic product communication devices (EPC-Devices) such as RFID, Bluetooth or more advanced devices using a principle of zero-knowledge authentication. EPC-Devices simply will not respond or acknowledge their existence unless properly authenticated.

EPC-devices can be linked to a product or service such as for instance an RFID sewn into a shirt. They can also be tightly integrated and providing advanced controls such as for instance a digital car key directly linked to the petrol injection and customised settings or a house alarm linked to the home communication infrastructure resetting communication preferences of the individual to the home environment.

Together these inventions make it possible for individuals to control their digital environment without risk of leaving identified personal data in databases usable for privacy violations.

Description of Figures
Figure 10 illustrate the basic invention of creating and re-linking virtual chip cards.
Figure 20 illustrate the linking between the product life cycle in the commercial value chain and how the product transfer to consumer privacy control and then eventually re-enter the product life cycle for recycling of materials etc.

Figure 100 illustrate the basic infrastructure for privacy chip cards.
Figure 110 illustrate the creation of a pseudonymous basic relationship.
Figure 120 illustrate privacy-managed payment and credential support.
Figure 130 illustrate the preferred solution for anonymous credit.
Figure 140 illustrate how to include untraceable accountability for pseudonymous relationships.
Figure 150 illustrate how the to privacy-enable standard credit-card payments.
Figure 160 illustrate how the solution can extend by direct management of personal identities using wireless or other personal communication devices.

Figure 200 illustrate privacy-managed digital signatures with instant revocability

Figure 400 illustrate the basic infrastructure per privacy-enabled RFID using untrusted RFID and chip card readers.

Figure 410 illustrate the use of mobile devices for controlling RFIDs using untrusted RFID and chip card readers.
Figure 420 illustrate how to create a Privacy Proximity Ticket using a combination of Group Authentication and PRPs
Figure 430 illustrate how to create connections between anonymous sessions
Figure 450 illustrate a zero-knowledge authentication process including group authentication and device authentication

Figure 500 illustrate a mobile device able to directly control the personal space.

Figure 100 show the preferred setup for multi-application chip card infrastructure. The Chip Card (100-20) is communicating one-time only References to the Card Reader (100-10) using the communication channel (100-100) which can be any open protocol over both fixednet or wireless channel. The Card Reader provides the connection to the Shop Computer (100-300), but this can also be done directly using for instance wireless communication protocols. The one-time only Reference is forwarded to the Service Provider (100-40) together with instructions encrypted inside the Chip Card. Client can from his Client base (100-50) take control of the transaction without revealing his real identity through either some sort of mixnet or other anonymising network (100-60) or an Identity Provider/pseudonymising unit (100-80 through any communication channel 100-150). Depending on the encrypted instructions, the Service Provider (100-40) can verify anonymous payment or credential mechanisms directly (100-130) with financial institutions (100-70), or indirectly by forwarding chip card encrypted instructions to the Identity Provider (100-80).

A standard so-called EMC-chip card payment can be emulated so that the Shop Computer (100-30) and Card Reader (100-10) does not have to alter, but still the Financial Institution (100-70) see the either Identity Provider (100-80) in case of standard credit payments or Service Provider (100-40) for anonymous payments as the Shop. The Service Provider gets payment confirmation either directly or through the Identity Provider and can therefore verify payment towards the Shop Computer (100-30).

Key to the advantage of setup is that the Service Provider and the Shop cannot separate two transactions with the same chip card from two transaction with two separate chip cards unless Client want it so.

If the encrypted instruction to the Service Provider (100-40) contains a data reference derived from a Shop Identifier, Client can instruct the Service Provider to link the transaction with previous transactions with the same Shop for Client convenience. In addition the Service Provider can be instructed to report this link back to the Shop as part of the transaction and thereby enabling the Shop to create anonymous customer profiles or turning the Chip Card into Shop Loyalty card.

Client can maintain two-way communication with the Shop (100-30) through the service Provider (100-40) without ever revealing his true Identity.

Basic relati nship 110 illustrates the most basic usage and generic use of this invention. By entering the Chip Card in a reader, Client creates a simple communication channel for the Shop to communicate with Client through the Service Provider (110-40). In addition to a One-time only Reference, the Chip Card must initiate an authentication mechanism for Client to prove ownership of the Relationship and optionally share an encryption key with the Shop to ensure that the Service Provider cannot read communication. In addition the Chip Card will encrypt Shop information for Client use upon re-connecting from the Client Base (110-50). The Client Base can be from any device able to communicate and do the computation – even a Chip Card, but the Client Base is assumed to be a Trusted Device such as a portable computer, a PDA, a mobile phone or any computer at work or at home.

The Shop can use the One-time Only Reference as an address towards the Service Provider who can then either store the message until collected by Client (Pull) or use pre-prepared Mixnet Reply-blocks to forward the message to Client (Push) without the Service Provider being able to identify Client.

The context when establishing this relationship determines the use, which can range from subscribing to a news list over the privacy alternative to providing a business card to answering detailed questionnaires to participate in any scheme without risk of data leakage and use outside of the specific context.

A vital part is that if the Client identity is strong enough to get acceptance from data protection authorities then the relationship setup can be considered anonymous in the context of Data Protection laws. If so data registrations are not requiring permission in the legal definition since Client is in Control of customer profile data.

Figure 120 take a step further and enable support for Managed Services of Digital Cash or Digital Credentials, even if the Shop is not equipped to handle these technologies. The Shop Computer (120-30) forward payment instructions including Ship Id, Amount, Transaction Id, Date and optionally a digital invoice to the Chip Card Reader and terminal (120-10). The Card Reader can assume the Chip Card (120-20) is a standard Chip Card emulating standard credit cards interfaces. This can be either direct contact or wireless communication (120-100). The Chip Card emulates a standard interface by using a One-time Only Reference or reuse the same Chip Card Id depending on the standard. The Chip Card then interacts with Client through the Card Reader interface for instance using a multi-pin setup and chooses action according to Client Instructions.

For an ordinary payment the Chip Card pay to the Service Provider (120-40) using Digital Cash encrypting the message to the Service Provider and forwarding this encrypted message containing the Digital Cash Show protocol through the Card Reader to the Service Provider. The Service Provider finalise the Digital Cash transaction with the relevant Financial Institution (120-70) over any communication channel such as a fixed VPN internet connection for large-volume transactions. Upon clearance from the Financial Institution the Service Provider acknowledges payment vs. the Shop according to the payment interface standard.

At this point the Service provider can provide transaction services towards for instance sales taxes, fees, VAT and special problems related to for instance cross-border transactions.

A special variant of the payment scheme in Figure 120 is illustrated in Figure 130. If Client prior to the transaction has established a credit line with a Financial Institution (130-70) which is then translated into Digital Credential Tokens stored in the Chip Card (130-20), this setup is able to establish anonymous credit. If a sufficient large group of Client use these Anonymous Credits and create a crowd effect, the Financial Institution cannot determine what a specific credit was used to purchase. They can, however, still know on a group basis and thereby make various partner agreements between financial institutions and shop possible.

In the preferred setup the Financial Institution (130-70) issue Credit tokens on a rollover basis with overlap meaning that there will be an issue period (of say 3 months). When the rollover period ends, Client cash in unused tokens and receive new ones. Used tokens are transformed into a loan. When Client use credit tokens to pay, it works like Anonymous Digital Cash or Digital Credentials since the Financial Institution (130-70) can determine that the specific credit token is issued by a specific financial institution or group of institution and thereby honour the payment claim. To compensate for differences in purchase dates in the issue period, interest from time of purchase to the rollover date can be deducted from the amount.

If the Client group is sufficiently large for a specific pool of credit tokens, loans can even be established on a daily basis selling bonds directly in the financial markets. This can either be based on a pro rate risk using Client loans as security or with the Financial Institution guaranteeing the bonds and applying a risk premium on Client loans.

This translates into a situation in which Client can anonymously buy a sofa with instant credit using financial market interest rates and using the surplus asset value of his house as collateral.

The various parts of the invention

Privacy Reference Points

One important aspect of this invention is the ability to establish anonymous connections between the offline world and the online world. These are called Privacy Reference Point (PRP) which are virtual addresses based on a domain offset link and a relative reference (<domain>Ref for instance http://www.PRPRef.NET/Ref# where Ref# is any combination of characters, numbers etc.).

Whenever a transaction is initiated a PRP is provided by the Chip Card as the transaction specific identifier or one-time-only card number. Except for this identifier the Chip Card will leave NO additional identifiers unless voluntary approved by the Client as part of the transaction.

In case of PRPs provided by a RFID-tag as an RFID pseudonym from a list of pseudonyms (such as a ticket) etc. this can contain pre-encrypted information that upon forwarding to the Service Provider authorise release of data to the provider of services.

PRPs provide an anonymous way to block for the Chip Card in case of theft and asymmetric linkability for enabling convenience and services.

If the Chip Card attempt to establish an anonymous session, the Client can without creating linkability deposit a message to the Chip Card that it is stolen and act accordingly either by deleting all content or assist in tracking the thief.

A PRP provide the ability for the Client later to establish connection with the transaction without having to store information in the portable device. In addition it can create a communication link to the Client if Client has established an open communication channel to the PRP.

On security in case of loss of the smart card.

It should not be possible to extract the keys to generate the one-time-only identifiers. Meaning there should be NO way for an attacker to be able to generate the historic identifiers of user transactions and thereby assume control of transactions.

Unencrypted Export function of the keys themselves should not be possible. Instead one solution is to work with one-time-only export of the one-time-only identifiers (and related authentication keys) to a secure client environment (likely home) from where the owner can establish connections to his transactions through an identity-protecting communications network.

Anonymous credit

In many circumstances credit payments is needed which is today covered by use of credit cards. Even though anonymous cash using Limited Show Keys is known, paying anonymously with credit without the Provider or the Bank linking the purchase to the real identity of client is not possible with present knowledge. This invention solves this problem using a combination of roll-over lines of credit and a token-based credit system which towards a Provider are similar to undeniable digital cash drawn on a Financial Institution but to the Client is a drawing right on a pre-approved line of credit. The main properties works similar to anonymous Digital Cash, but the way the tokens are issued will result in a loan from the Financial Institution to the Client .

The preferred setup works by a financial institution applying a line of credit to Client. Normally the Client is identified towards the bank to establish credit. But the Client can also be pseudonymous to the bank itself – treated as a special case after the main setup.

This line of credit is on a periodically revolving basis transformed into Coins (tokens) using Digital Cash Technology, which is limited show keys according to David Chaum or Stefan Brands.

In order to pay with credit, Client will spend his tokens in ordinary shopping as Digital Cash. Whenever the financial institution is presented with the use of a token it will honour it with a pre-defined amount in cash transfer. The Merchant will receive cash and do not have to know that this is a credit payment.

At the end of each Period the Client can return unused Coins to the Financial Institution and get new ones. Client cannot return used Coins without self-incriminating him as multiple use of the same Coin will provide the bank with the ability to prove abuse similar to the protection related to multiple use of Digital Cash with disclosure of a self-signed confession and identification.

The difference between Coins issued and Coins returned equal the amount borrowed which is then treated as a withdrawal related to the line of credit. If multiple Clients use the same type of Coins for the same periods, the bank has no way to tell which Client made a specific payment.

Theft protection can be built in, if Client either store a copy of the Coins or when receiving new Coins technically create an offline payment for himself using all the Coins. Using this backup protection, the Coins can in case of theft be forwarded to the bank. When the thief try to use the Coins for payments, the bank can detect this and block payment in real-time.

When using a Coin for payments the bank can deduct interest until the next roll-over date of the line of credit in order to make the withdrawal start according to the use.

The bank needs to be able to terminate the credit line, if for some reason the line of credit has been reduced or terminated. The use of periodically revolving provide both an ability for the bank to change the terms of the line of credit and the way to convert use into loans on a regular basis.

Outstanding credit Coins has to be honoured for the duration of the period unless Client returns unused Coin in mid-period. Periods should preferably be overlapping in order to prevent end-of-month crowd effects.

Use of tokens can be associated with attributes or other linkage to provide the ability to support for instance special discount agreements with merchant.

When using a intermediary to carry out the interaction with the bank, then the bank does not need to know the identity of the Provider thereby further reducing the risk of collusion detection on behalf of the bank.

Pseudonymous line of credit approval can be arranged based on attribute credentials in combination with Privacy accountability which is a multi-step re-identification process in case of violation.

Pseudonymous credit approval can for instance be arranged in the following way. Many countries have central registers of Bad Credit Risks including people and entities having failed to honour a financial obligation or an outstanding debt. Using Attribute Credentials (Stefan Brands xx) a Client desiring credit receives a one-time-only attribute credential issued by the Bad Credit Risk Agency that he is NOT on the list. When presenting this credential to the Financial Institution, an optimistic line of credit based on the knowledge of previous non-default can be issued.

The Financial Institution can similar issue a credential the line of credit is terminated and all loans paid in full. If the setup works with a standard maximum amount, the attribute credentials can further be denominated into smaller lines of credit by issuing a Credential where each use

This would most likely be on smaller amounts, but the Financial Institution can build the credit risk into the interest required thereby creating pools of higher-risk loans.

Establishing Privacy-enhanced general accountability

In some occasions payment risk is not the only risk included. For instance renting a car or hiring an internet connection can include criminal activity. A better alternative than requiring identification and data retention is to establish a way to identify than can only lead to identification if wrongdoing is determined. This is known as Identity Escrow.

Figure 140 describes such a solution in which the message to the Service provider (140-40) contains instructions to forward an encrypted message to an Identity provider (140-80) linking to a pseudonym with an attached encrypted message certified by third-party to contain identifying information of said pseudonym and instructions as to the first step of a process to decrypt the message incorporating at least one third-party not involved in the transaction at any step.

Multiple different accountability procedures can be designed balancing the cost and difficulty of identification with the potential fraud value of Client and the democratic principle value of the activity. For instance the control to return a book to a library or for general surfing at news sites or discussion forum should be strongly protected whereas the voluntary entering into a credit arrangement likely should only have a simple trusted party included the in the identity disclosure process.

A key issue is that the question of accountability does not make sense if anyone can commit identity theft and thereby transfer the responsibility to others. This include on one side identity theft of a pseudonym through which ownership of an asset or obligation of a liability is established and on the other side the ability to identity theft of the base identification which provide the fundamental accountability.

In other words accountability is dependant on unbroken traceability of an action to a unique identity. In the physical world this is based on witnesses, pictures, signatures etc. In the digital world the technical cryptographic traceability and especially the links

to the physical world depends on fewer proofs and the potential crimes large in both size and variations bigger in number and potential magnitude, the traces has to be stronger and unbroken.

Basic device security and ownership – Privacy Biometrics Authentication

For reasons of both protection against Identity theft and protection of personal data in case of the device theft, authentication of the Client towards the device itself is necessary. Pin code, passwords, crypto boxes etc. only provide proof of knowledge or physical access, but it not a real proof of Identity. To achieve proof of identity, biometrics is the best way to improve security. To avoid central storage of biometrics or biometrics leakage in case of theft, it is important that only a one-way encoded version of the biometrics template is stored. In addition this should be done using a Chip Card specific encoding.

In the following we assume the basic security is a combination of both a one-way encoding using a Card specific encoding. This could for instance be a one-way low-collusion hash of a card specific key XOR'ed with a one-way hash of the biometrics template or minimum equivalent security. In addition this is assumed to be COMBINED with pin codes, passwords etc. including silent alarm such to decrease the likelihood of successful authentication by others than the right Client without voluntary collaboration.

Special attention is to be put on so-called identity or credential lending as basic security often ignore this problem and leave it to crime investigation. An example is "loosing" a credit card combined with subsequently denying payments or a more advanced example of swapping credentials between a paedophile and a drug addict to mutual advantage.

Accountability negotiation

This makes possible to create accountability profiles describing the accountability level of the PACC that a session is authenticated towards. An Accountability Profile would in a standardised way describe if, under what circumstances and how escrowed identity can be released.

PACC parameters can include the type of base identification (biometrics etc.), the legal domain (for instance country or court), amount limits, time limits, category of trusted parties, special conditions etc. These can be technically designed into the

The preferred solution for generic application where it is impossible to determine the application risk in case of abuse such as surfing the internet is at least a two-step process based on a double encrypted identification of which the outer layer is encrypted with the public key of an asymmetric key pair related to the court that should determine the justification of identification and an inner encryption layer encrypted with the public key of an asymmetric key pair related to a pre-approved entity verifying the court procedure.

This verification entity can be external to the country and should operate a procedure that gradually makes access to decryption keys more difficult as time passes. For instance by encrypting the private decryption key with the public key of yet another entity, thus increasing the whistle blowing mechanism in case of attempts of mass-surveillance or forced access or decryption keys.

Period-specific public keys can be published by any number of trusted parties meaning that the corresponding private key will be deleted within a pre-defined timeframe preferable in some verifiable manor using for instance verified hardware to store the keys. Since public keys are published a trusted party does not know what kind of secrets is guarded and for whom.

The core link to the physical world will have to lead back to the basic Identification which sets the limit to accountability. Creating this link between the physical world and digital world is in the end a form of biometrics combined with a link certificate from some entity that has to be trusted. This issue and especially the link to DNA-registration is described in more details in the patent application ref xxx "Establishing a privacy communication path" which is included here by reference.

Life Linkability

The main purpose of this invention is to implement the concept of non-linkable accountability, i.e. ensure that accountability is established with the least possible linkability across transactions so that even if one transaction is made traceable to the individual, other transactions by the same individual are close to impossible to locate.

However this balance is a political decision. If it is politically decided each step in the creation of a PACC can be accompanied with a parallel step creating reverse linkability so that a series of pre-programmed steps can create a link from an identified entity to the virtual identities. If all these are stored in an accessible manor full life linkability can be created.

One situation where this could be decided would be for convicted criminals - perhaps of certain types of crimes or certain duration of penalties - that they loose the right for non-linkability. This setup could be implemented using either positive or negative credentials. For instance, if the person cannot present a period-specific citizen credential, the part creating the PACC-steps will also create the reverse entity.

Creating these data components are significant more sensitive than the PACC since individuals can be totally targeted after any action has lead to identify the person.

Features like these would in a preferred implementation only be included on a selective basis and not as part of the default PACC process.

Infrastructure Wiretapping

Linking all transactions with the same person does not provide access to the decryption keys. These can be achieved by contacting the communication

counterparties if these are not under investigation. However for investigation serious crimes under planning wiretapping is sometimes required.

Implementing secret wiretapping is however significantly weakening security in the entire setup as it is difficult to implement protection against all communication being wiretapped creating a total security failure in a totalitarian scenario.

If wiretapping was to be implemented it can either be part of a device approach incorporating similar to the theft control described later in this invention where devices are either made traceable to the owner on purchase or later tagged in operation.

More likely to be complete this would have to be part of the core virtual chip cards implemented as part of the core authentication process to create linkability and as part of the communication encryption to create wiretapping.

The scheme would use dedicated keys for each device or virtual chip card protected with mechanism similar to the reverse PACC setup where a series of steps would provide access to devices controlled by an identified entity. This is significantly different from using the same shared secret key in all devices. Such a shared secret key even if it was an asymmetric key is also known as the clipper chip approach and is extremely vulnerable to anyone getting access to this key as it could provide full access to all communication.

Features like these are not included in a preferred implementation.

Privacy Accountability according to application

Assuming a standardised definition of the accountability established through a PACC, any session established can then be limited to applications according to the level of accountability.

From this follows the full elimination of the trade-off between security and privacy.

Example credit-based transactions require a certain level of accountability depending on the credit amount and the loss. If the PACC is of type anonymous then only PULL-transactions or applications explicitly accepting anonymous contact can be initiated in this session.

Any session can be authenticated anonymously, using credentials to verify both positive (memberships, citizenships, tickets) or avoiding negative credentials (not on a criminal block list), temporary accountable (time-based or otherwise limited), reduced accountable (amount limit, legal requirement, etc.), default accountable (default process to access an escrowed identity), specifically accountable (for instance single trusted part in case of monetary credit), limited identified (only towards a non-accumulating trusted part) decentralised identified (but NOT traceable by

infrastructure) and fully identified (towards infrastructure accumulating linkable personal data).

Any service can define its specific requirement for accountability. Similar any session will have an inherent accountability level. Matching these will then tell if a certain session is able to provide access to a certain service. If the session accountability is insufficient, then a higher level of accountability can be established by authenticating towards an appropriate PACC or dynamically establishing a PACC according to requirements.

Basically this will mean that infrastructure will be able to provide support to any type of service according to the inherent risk. For instance an anonymous session based on digital cash payments can achieve access to location services, information services and services where participants explicitly accept the risk.

Any temporary use of public access points or lending can thus be protected without leaving a trace sacrificing privacy. For instance libraries with internet access, Internet Cafes, Supermarkets, physical doors with access control etc. would all benefit significantly from this approach.

Managed Digital Signature

An important aspect of discardable Chip Cards is the ability to instantly revoke digital signatures even if the Chip Card tamper resistance is broken and at the same time sign with identifying Digital Signatures without creating linkability for anyone than the suppose part. Several different approaches can be used to establish this presently not solved aspect.

Firstly the private key of the signature can be encrypted with a key that is not present on the Chip Card. In order to Sign, the Chip Card will then retrieve the decryption key using a method that can be blocked without access to the Chip Card. After accessing the private signature key the decryption key and the unencrypted signature key is then deleted until next transaction requiring identified signature.

To make this solution perfect an unbreakable deadlock can be created by further encrypting this decryption key using a key stored only at the Chip Card and accessing said decryption key can take place either anonymously or using multiple occurrences of said decryption key encrypted so that each access is not linkable with the others.

Creating Instant revocability would just imply deleting the decryption keys or blocking access to the decryption key.

Another solution would be to store the identifying signature key in an encrypted non-linkable version (including salt and different hybrid encryption schemes etc.) at some or all Privacy Reference Points. When establishing an anonymous session the encrypted signature key is forwarded to the chip card which decrypts the signature key, sign the transaction and then delete the signature key. Instant revocability can occur by blocking access to the Privacy Reference Point.

An even third solution would be to use a managed Signing Server handling one or more Identifying Signature keys and forward a non-linkable or blinded fingerprint for signing. The signed fingerprint is then returned to the Chip Card and the blinding removed and the signature forwarded to the agreement partner. This should preferable use a mixnet to shield the session from linkage to the managed signature server.

The Signature Server will need a traceable authentication which can be either a Chip Card key or a Credential based solution. To create instant revocability, this authentication process can be cancelled at the Signature Server.

Other solutions could be a credential based signature using split credentials with any of the above principles to sign. Split credentials could be in the form of multiple credentials that has to be XOR'ed together to create the real signature, one credential in the form of an encrypted identification combined with a decryption key, or any combination of these including where part of the key is stored at the Chip Card.

Privacy Credit Card Payment

A preferred solution to Privacy-enable standard credit card or debit card payment is illustrated in Figure 150. The Credit Card is assumed to be a persistent number related to a bank account and therefore provide identified linkage if a linkage between the persistent card number and the use of the credit card is stored in a database. The main objective is to break this link but still remain compatible with standard chip card payment interfaces such as the EMV standard (Eurocard, MasterCard and VisaCard).

The Chip Card (150-20) receives standard payment information from the Shop Computer (150-30) through the Card Reader (150-10). Instead of encrypting and signing the message and then forwarding the message directly to the Financial Institution (150-70), the message is routed through a double layer of pseudonymisers making the Identity Provider (150-80) act as the Shop towards the Financial Institution (150-70) independently of the real Shop Id (150-30). The Chip Card (150-20) creates an encrypted message attached to a one-time only Reference which is then forwarded to the Service Provider, who decrypts the message. The message contain information as to the Relationship according to Figure 110 and an additional encrypted message with attached information to forward this message to the Identity Provider (150-80). The Identity Provider carries out the same operation to find an encrypted Chip Card payment message to forward to the Financial Institution naming the Identity provider the beneficiary of the payment.

When the Identity Provider receives a payment accept from the Financial Institution, a payment accepts is forwarded from the Identity Provider to the Service Provider. The Service Provider then emulates a Financial Institution towards the Credit Card Reader and Shop Computer. The actual Payment is routed the same way except that methods to prevent linking based on timing and payment amount incorporating for instance escrow and multiple payments crowd effects. Payment escrow can be established according to the consumer regulations of both the Client home country and the Shop

Country. The net consequence is that the Financial Institution no longer knows who actually receive the payment, but convenience- and other wise this payment is standard looking from the point of view of the Shop.

The Shop Computer (150-30) can use a similar principle to generate a new one-time-only Virtual Shop interface for each transaction and hereby preventing the PRP-service provider to link multiple transactions with the same shop.

Theft protection
If the chip card is lost the Client is in risk of impersonation and identity theft. The risk is dependant of the chip card authentication. Since the card deletes used References / Privacy Reference Points (PRPs) and healthcare data are encrypted the risk is limited to unused References, digital cash/credentials stored on card and digital keys for Privacy managed Digital Signatures.

To block for abuse Client only has to use the unused References to block for use of Digital Cash and credentials through the managed service. Further protection can be created by voiding References as well as Digital Cash and credentials marking them stolen. This way abuse attempts can easily be detected if a thief tries to abuse the card.

To block for Identity Theft using the digital keys for Privacy managed Digital Signatures, Client only has to connect to the Signature Provider and report the Digital keys stolen. The Signature Provider then deletes the copy of the digital signature encrypted with the keys specific to the card. After this the lost Chip Card has no longer any connection to the Digital Signature.

The Chip Card can further contain a one-time only reference to a Lost and Found connection similar to creating a standard Relationship except that this can be initiated by a Lost and Found office similar to an emergency health care unit connecting to Cave data. This is sufficient to establish contact in order to return the chip card.

Client can easily detect whether abuse has taken place due to insufficient chip card security. If security is violated and the thief has been able to use the chip card for transactions, the damage can be detected when Client traverses the unused References and appropriate measures can be taken without long-term consequences such as bad credit ratings etc.

Theft protection is also established on products, since leaving a store without privacy-enabling built-in RFID-tags means you haven't paid for the product.

In case of theft of a device such as a car, a shaver, a television, a mobile phone etc. enabled with Privacy Device Authentication, the thief will not be able to active the device because the thief will be unable to access the key. Similar to existing electronic theft protection of cars the theft protection depends on how perfect the digital authentication is integrated with the system.

Deliberate lending or sharing of credentials

To prevent deliberate loss through lending, sharing, cross-credentials (a paedophile verifying for a drug addicts and visa versa) etc. the Chip Card should contain damaging access in case it is not blocked. In order to prevent selling access to credentials this can be linked with something the Client does not want to give away access to – such as bank accounts, establishing accountability or sign legally binding agreements, access the personal history etc.

A further important aspect to prevent lending of credentials would be to link Chip Cards in order to prevent exporting keys to non-tamper resistant Chip Cards.

Location

In the preferred implementation, no devices are identifiable towards external geographical location tracking as more than a session. To protect from abuse of the inherent location knowledge (as for instance triangulation of wireless devices) most services are blinded from their location through a virtual location somewhere on the network. This can be a proxy, several proxies, an inherent feature in the routing protocols, a more advanced anonymiser such as a mixnet or a combination of these.

The infrastructure access provider can provide services based on the location only and request further profile or accountability information according to the application. For instance a supermarket will inherently know that the customer device is located at the supermarket premises.

The wireless device either is able to define it own location using for instance a standard GPS satellite tracking device or as a service request from infrastructure tracking. But revealing the location towards any persistent pseudonym is in user control.

Devices can be pre-programmed to automatically attach the geographical position or even switch-on a persistent tracking functionality when calling emergency numbers. This invention will not prevent efficient aid to accidents, but it also follows that there is no inherent need for location tracking to be built into infrastructure for emergency purposes.

If devices are only traceable as non-linkable sessions, the access provider can provide the location information. In addition emergency services can be non-authenticated as the reverse authentication step for accountability is not relevant for emergency purposes.

If a Device is enabled with Privacy Device Authentication, it can be activated remote without privacy implications. For instance an authentication message to a car can be broadcasted in case of theft and thereby enabling tracking devices. A child can have a device such as a watch where an authentication message can activate any service such as a location reply etc. The child can have the option to deny the location request, if the focus is on the child right to avoid parent tracking. If the device is equipped with more than one authentication reply for the user – one type blocking reply if the user don't want to activate the function and another releasing a silent

alarm in case of a criminal event, then a criminal can not prevent an alarm even by threats of physical harm.

Devices

The Chip card can be implemented in any number of ways.

Connected to an untrusted card reader using wireless or direct connections.

The dependence on an untrusted user interface can create a risk of man-in-the-middle attack in the card reader where user choice are altered in order to manipulate the chip card to perform an action the user has not authorised. A number of technologies and methods can eliminate this problem such as multiple purpose specific pin-codes, purpose specific Chip Cards (one for always anonymous and one for default traceable transactions) etc.

Distrust towards the financial institutions can make it preferable to implement a solution where the store chip card reader intermediate the shop as either the Identity Provider (100-80) or the Service Provider (100-40). The chip card will then make a payment authorization which can be encrypted by the chip card reader using the public keys and forwarded accordingly. This method can also protect ordinary credit cards.

The central credit card databases thereby can no longer determine where payments are made from information available. If the Identity Provider forwarding the payment instruction to the Financial Institution - after payment is received - encrypt the data linking the transaction with the point of payment according using external keys, privacy protection of historic transactions can be achieved.

Further a Privacy Chip Card can be used in parallel with the non-privacy-enabled chip card to link the transaction to for instance a Basic anonymous Relation according to 110.

A better method is for the chip card itself to have a direct user interface for authentication and choice. This can be either using a more complex chip card or by combining the chip card with a trusted device incorporating a chip card reader. This device can be any type such as a pda (Personal Digital Assistant), a mobile phone, a portable computer etc.

The same effect can be achieved even with contact cards by making them able to communicate wireless with an external user device handling the user interface. Commands from the untrusted terminal can be ignored, validated or overridden depending on the implementation. The consequence is protection against untrusted devices.

The preferred solution would be to incorporate the chip card in a dedicated personal authentication device communication with other devices using wireless protocols. This

way the same chip card can be used to control all user devices using privacy device authentication to establish control with the specific device.

This can be split into two devices in the form of Master Authentication Device (dedicated to handling basic keys and physical authentication across devices) device authenticated to a Master Communication Device (mobile phone, pda, portable, etc.) handling additional communication.

End-users can easily exchange devices through lending protocols as long as the Chip card is personal.

Protocols

Privacy Reference Points - PRPs

PRP is one-time only references acting as anonymous pseudonyms. They are created in such a way that only the Client is able to link multiple PRP created with the same Chip Card. Client can thus any communication channel including

PRPs can be generated and shared in multiple ways.

The most secure way would be to generate pure random input numbers in a secure HOME environment and share these with the Chip Card.

These random numbers can be used to generate both a PRP as well as an authentication key.

Another way would to generate random-like input could be to use an algorithm based method using a shared secret as seed value. One such implementation could be based on a low-collusion hash of a combination of a CardRef (Chip Card specific key) and a changing part such as a counter.

Any stream padding chipher can generate a similar result – the quality depends of the degree of randomness of the algorithm.

The sharing can be carried out either through transferring PRPs (or seed secrets for an algorithm based solution) encrypted with the public key of a key pair, where the private key is generated within the chip card and has never left the chip card or a shared symmetric encryption secret for instance established sing a standard Diffie-Helmann protocol to establish a shared encryption secret or other means.

Another way would be to use a ring method, where each Privacy Reference Point when authenticated will forward a previously stored encrypted data segment which contains the reference to the next Privacy Reference Point.

Another way to share the PRPs could be to use Credential technology using blinded certificates.

Relationship Reference Links

In a standard credit card payment request transaction the store transmit as a minimum a Shop Id, a transaction reference, amount to be paid and a date.

When combining the Shop Id and an internal Relationship Link key, the Chip Card can generate a unit specific Relationship Reference Key for instance as a hash of this combination and use this result as a key for enable cross-transaction linkability and thereby the ability to build profiles across multiple PRP-based transactions.

Client can encrypt this key for his personal use and only make available for instance in the HOME environment ensuring NO ONE except the Client can link multiple transactions in the same shop and still maintain complete The key can be released directly to the Shop to provide in-store linkability without any part of the infrastructure able to link these. By including an additional element as a hash parameter, the Chip Card can maintain multiple persistent relationships with the same shop. This could a purpose-specific key or for instance be the date or year and thereby creating a new relationship each day or each year.

The preferred method to balance security, convenience and flexibility would be for the Chip Card to use two Relationship Reference Keys and encrypt the main Relationship Reference Keys with the public key of the Service Provider (150-140). The Service Provider can link the anonymous transaction to previous transactions with the same Relationship Reference Key and store a shop-specific Customer Reference with is returned to the shop together with stored profile information. The Service Provider has in the basic setup no need for accessing contents and therefore profile content can be encrypted so that the Service Provider only acts as a contact point providing storage, transaction, communication and trade support for relationship.

As a second shop-related key, Client can instruct the PRP-provider on which data profile to provide for the shop. Client can for instance create a fixed shared profile part and have the PRP-provide link to this together with the last months profile or simply provide the shop access to the full shop-related profile for maximum convenience.

This way the Client can independently of his own convenience decide his profile towards the shop.

Group Relationship References

The basic group connection is established as a number of anonymous Privacy Reference Points linked together in a group based on a shared Group Privacy Relationship Link. A public-private asymmetric key par is created and the private key is stored online in multiple versions – each encrypted with the encryption key of a member.

Any exchange can then use the shared key if all parties are to access this information or be directly addressed to any part – fully anonymous to central services providers. But members of the group can establish exactly the level and type of accountability preferred either using the setup described in this solution or voluntary as part of the relationship communication using any external solution including direct identification using a standard digital signature.

Privacy Device Authentication

To protect the Client from the environment tracing or collecting information as to the devices, he is carrying or accessing, a zero-knowledge device authentication can be used. The device requires the Client to prove possession of a secret key before activation. Prior to activation the device will in no way reveal its existence or reply to any requests. Similar the Client Authentication Device (CAD) need not reveal any information usable to link multiple transactions performed by the Client.

Since the surroundings must be assumed to listen to all wireless communication, replay attacks where an attacker records one authentication session and later replay the authentication to emulate Client must be prevented even if the device has no ability to store prior history. The preferred way to do this is to include a for the device method to distinguish between prior authentication attempts and valid ones. The preferred solution is to include a timestamp into the protocol and have the device store the timestamp of the last successful authentication. In case of a replay-attack the device will simply ignore the authentication attempt.

For high-power devices with sufficient computational power an asymmetric key pair can be used. Each key can be used as a private key towards the other and thereby facility a two-way authentication. One key advantage of this implementation is that the private key of the device is not known outside the device making man-in-the-middle attacks harder. The same key can still be used for authentication, encryption and decryption but always used in a zero-knowledge protocol preventing externals to identify and link device usage.

Each device can have multiple key pairs to reduce linkability across use. This is especially vital in any direct device connection between a trusted environment such as the HOME environment and an external environment such as such as a commercial entity.

The root security principle invented and implemented through this invention is that any direct device identifiers such as encryption keys never has to leave the trusted environment – communication should preferably take place through context-specific pseudonyms to ensure non-linkability and flexibility.

If a direct device connection has to be established for any purpose this should always be using a dedicated key pair that is not reused for anything else. Addressing should preferably be relative such as a PRP.<virtual device-identifier> or be type reference such as PRP.<DEVICE TYPE Identifier>.

A unique serial number provided by the product manufacturer is consistent with this by providing support for the Product life cycle until purchase and being linkable to the

purchase PRP. In the phase where the product is in end-user control this unique serial number is always replaced with context-specific key pairs and preferable not addressed directly at all. This way the unique product serial number is therefore transformed into a protected root device identity.

Device with low computational power

For devices with insufficient computational power such as RFID-chips asymmetric computing is not feasible in the short term due to the technical requirements. Here this invention introduces the concept of light-weight Zero-knowledge authentication.

This involves any algorithm that satisfies the requirements of authentication without transferring other than random session identifiers for either device involved in the communication.

Using such an algorithm this can enable communication from a Client-controlled chip card (410-20) through either a Privacy Authenticating Device (410-90) or a untrusted Card Reader (410-10) through any communication network such as a LAN, WAN, WLAN, Bluetooth (410-250) to forward or broadcast a message through a communicating device (410-210) enabled for transmitting using any protocol such as an RFID, IP, Bluetooth, WLAN, infrared, radio waves etc. with the device to authenticate (410-200) such as an RFID-tag, a Bluetooth-tag, a WLAN card, a radio wave reader etc. The device (410-200) can further be integrated in for instance a Car and thus act as a digital key towards any other device.

One preferred algorithm that abide to the tough requirements involve the Chip Card (410) to generate a message comprising a timestamp (DT) together with a first data segment (X1) and a second data segment (X2) encrypted in such a way that the device to be authenticated (410-200) can verify the authentication using a stored secret (DS) and verify the authentication is not reused by checking DT2 is newer than the timestamp of the last previous successful authentication (DT1). In the preferred solution, X1 comprises a one-way low-collusion hash algorithm such as MD5 of the combination of the device secret (DS), a random session key (R) and the timestamp (DT2). X2 comprises the XOR combination of random session key (R) and a hash of the Device Secret (DS) and the timestamp (DT2).

The device receive X1=H(DS || R || DT2), X2 = R XOR H(DS || DT2) and DT2. If DT2 is less than or equal to the stored timestamp of the last successful authentication DT1 then the authentication fails. If not the device then computes the random session key using the stored device secret (DS) so that R= X2 XOR H(DS || DT2) and verify the authentication by checking that H(R || DS || DT2) equals X2. Since only a Client device knowing the stored secret (DS) would be able to compute X1 and verify X2, the device can assume it is authenticated by the proper owner and can now respond accordingly.

To verify to the owner that the device knows DS it only needs to prove in zero-knowledge that it knows R. This can take place by returning for instance X3 = H(R). An authenticated session between the two devices is now established with a random shared session secret R to encrypt any message using any encryption protocol.

Creating the initial Device Secret

From factory the Device or product is part of a supply chain where unique numbering is key to effective processes – privacy protection is not an issue and only a problem. The change from a non-privacy to a privacy enabled device occurs at point of purchase (which again can be multiple steps for instance in case of lending etc.). Multiple different algorithms and control procedures can ensure this change occur in a secure manor.

A simple preferred method if for the product from factory to have included a unique Serial Number (SN), an Privacy Activation Code (AC) and in case of activation a fixed initial Device Secret (DS). When the product is purchased AC and DS is transferred to Client and the AC further transferred to the Device in the open. On first Privacy Device Authentication using the initial DS, Client is required to alter the DS-code to a new randomly selected DS. By including a block never to reuse the initial DS, Clients are safe against even against collaboration between the shop and the producer to listen-in to the communication between Client and the device. In case of an attempt to use the building DS, the attacker will be forced to change the DS and then the Client will detect it on first use as Client will not be able to authenticate with the DS provided. If Client doesn't want to use the ability to authenticate towards the device (for instance a piece of clothes with an RFID tag) then the device will for all practical purposes be privacy activated.

Privacy activation linked to purchase implements a strong theft control enforcing privacy. If a consumer leave a store with non-privacy activated devices, he should be stopped – either due to an attempted theft OR because the privacy activation does not function properly. This provides a positive interest in safety for BOTH the consumer and the shop.

Group Privacy Device Authentication

The basic Privacy Device Authentication protocol requires the owner to know the device to authenticate. In a number of circumstances this assumption does not apply and a group authentication protocol is needed a first step before the actual authentication protocol.

Such a protocol could in a preferred implementation include storing an additional Group Code (GC) stored on multiple devices and a Device Identifier (DI) chosen specific by the client for the single device.

The Group Privacy Authentication protocol includes a first authentication step using the Group Code (GC) instead of the Device Secret (DS) establishing an encrypted session with all devices storing the same GC.

In a basic solution all devices can respond with their respective Device Secret (DS) XORed with the Random Session key (R) or a group specific random Device Id. The Client then looks up all the received Device Ids and retrieve the Device Secrets (DS) for the devices to authenticate.

A better and more general solution would add a vital privacy and security protection of linkability in case an attacker has been able to guess, break the algorithm or access a valid Group Code (GC). Instead of providing the Device Secrets as respond to the a Group Authentication the RFID operate a list of one-time-only references or encrypted references revealed one at a time for each transaction. The references can only by the intended entities be translated into the real devices identification.

This is very useful for HOME applications where the Client is intended to be able to change settings such as washing machines, television, refrigerators, room temperature etc. as the purchased product can be extended to include specific information for specific usage or processes such as re-ordering (refrigerators, coolers to remember and provide services on content and duration), adjusting programs (washing machines clothes etc.), preferences (loudness, preferred tv-channels, light etc.), proximity services (door opening).

Another important solution and application is where the list of references consists of a list of encrypted PRP-references and authentication keys which extend the HOME applications to general usage. A Group Authentication will not be followed by a Device Authentication as this would create linkability across multiple transactions with the same device.

In this range of applications the provider of the application service will connect to the PRP and either the application service provider or the Service Provider (in case of a managed service) respond with for instance a timestamp (and potentially a ticket number or other specific information such as a distance, location, section, seat, price range or other ticket specific information) defining the time period this specific ticket is valid.

Subsequent request within this time-period will then result in responding with the same reference (plus concatenated additional information). By letting this time-stamp extend beyond the real end-period and combining this with a kill reference command extensions etc. can be purchased by linking multiple PRPs in a repeat request in a session.

This is especially useful for applications where the same Group Key is used as for cross-Client Applications. This could be for a ticket system for use in transportation, car parking, road pricing, physical access system, events etc.

Even tickets for One-time-only events can be integrated in cheap multipurpose RFID tags by purchasing the ticket and then create a PRP storing all the relevant event information and prepare the RFID reference with the relevant information and Group Code. The related Group Code is provided by the application Service provider as part of the ticket purchase or by the Service Provider as part of a managed service.

This can easily be extended to multi-ticket applications even across difference applications either prepared by the Client separate agreements or as part of a tour package with the Service provider supporting with managed services for operations (flights, car renting combined with hotel reservation and conference registration).

Device able to handle asymmetric encryption
As shown above Privacy device authentication can even be carried out using weak authentication mechanisms.

The preferred and likely standard method will be to use strong encryption using asymmetric or even credential encryption in a zero-knowledge implementation. A device able to do strong encryption can always emulate the weaker encryption protocols described.

For instance it is impossible for a reader to detect whether a proximity badge is a weak computational power RFID tag, a somewhat more powerful Bluetooth tag or an advance Master Authentication Device with full key management and access to WLAN, 3G or other communicational channels in parallel with short range wireless protocols such as RFID-communication, Bluetooth, infrared or other local communication protocols.

In the purchase process the Client assumes control of the device and either the device or the Client creates a device-specific secret public-private asymmetric key pair. Secret means that it is NOT shared beyond the device and the owner. Delegation is preferably done through additional secret key pairs to distinguish between owner/(administrator and temporary delegated authentication with reduced access. The private device key is blocked in the Device.

When the Client wants to assume control any communication package can be encrypted using the public key WITHOUT attaching any identifying certificate or persistent identifier. To an external observer EACH package is zero-knowledge communication.

If the device is able to decrypt the package with successful result the device can assume that the sender is the owner of the device. Date stamps or challenge-responds mechanisms should be included to protect against replay attacks, but without knowledge of the secret public device key, the attacker is not able to neither prepare nor decrypt a device message.

A stronger authentication would include a two-way authentication which is especially useful when using context-specific device keys towards specific parties, which is similar to the workings of a virtual identity with encryption keys managed within the chip card.

Mobile devices don't have to generate PRP-specific asymmetric keys themselves. Each PRP and later each relationship-linked set of PRPs can have a prepared set of asymmetric keys stored and encrypted with a card specific decryption key. When the PRP is authenticated, the specific asymmetric are forwarded to the mobile device and decrypted. Similar the public key of the asymmetric key pair can be linked to the PRP in advance towards the PRP-service provider in order to make the authentication process first based on a light-protocol followed by a strong authentication based on the ability to decrypt and access the private key.

Asymmetric Device-to-device authentication is simply based on an optimistic principle where the slave device test all approved keys at each authentication request.

X1, X2 and X3 can be combined in one encrypted package so that for instance X1 = Enc(Timestamp || R || h(R), Device Public key) in the one-way slave mode and in the two-key version X1 = Enc(Timestamp || R || Enc(R, Privacy Master Key), Device Public Key).

Similar group authentication is simple as the shared secret is exchanged with the public key of the group authentication key and the validation switched to strong encryption without exchanging certificates or keys that are not session-only.

Context-specific Privacy Contact Points (CPCP) –
The concert problem and Instant Messaging.
Each part publish this days (or other changing component such as an event or context specific key) version of his preferred address book relationships.

An instant messaging link message – a CPCP – could for instance be created as <PRP-domain>.hash(relationship secret XOR Date/Event/etc).

The Instant Messaging Provider is then able to match relationships efficiently across multiple PRP-domains by forwarding the PRP-specific CPCPs to the relevant PRP-providers only. This also links different Client across multiple Instant Messaging Providers.

Accountability is an orthogonal issue as sharing a PLIM does not establish a connection until authentication towards the PRP-connection is carried out. This way loosing a Privacy Chip Card does NOT give the thief access to Instant Messaging Relationships AND at the same time requirements to accountability abide to the requirements of the various relationships independent of the Instant Messaging Provider.

One consequence is the ability to link a mobile phone through Instant Messaging to any other IM device connection in a privacy enabled manor WITHOUT creating persistent linkability. I can ALWAYS be in contact with MY relationships without infrastructure tracking us.

Shielding the PRP-domain as part of the hash is more secure for small domains (the domain should not in itself be revealing but commercial agreements could introduce discrimination) but this leads to a problem of linking across different Instant Messaging Providers and different PRP-domains. One solution would be to make the PRP-part connection specific so that the Client Device tells the Instant Messaging providers to try matching ALL CPCPs towards a list of PRP-providers.

Relationship parties do the same and upon matching Instant Messaging linkability is established without the messenger service knowing who talks to whom.

Since a Relationship secret can be related to a Group Relationship combined with intra-group relationships this concept can be used for Groups, communities and can

even be nested in multiple layers. Example members of Community SMARTGROUP all publish a Group CPCP and subsequent to authentication towards the group publish a local CPCP relative to the Group to create group-specific Instant Messaging.

Relationship Communities
This Group Relationship also provides for Instant Message relationship linkage as a Group community can consist of a temporary community of all the relationships of one Client. For each root relationship both participants define if this relationship is visible and available to relationships of the other party. If so, when creating the Instant Messaging keys special indirect relationship keys are created to avoid sharing the basic relationship secret. The Indirect Relationship keys are defined to be non-unique so that they only make sense relative to a specific Client.

In other words ALL Clients reuse the same reference keys and the links are temporary. However, if two Clients in a temporary community decide to remain in contact they can create a permanent relationship.

Each time Client creates these context-specific communities new reference keys and related authentication keys are created and shared when an Instant messaging connection is authenticated.

Nesting this setup will result in relationship chaining. In other words for second or deeper level access where a relationship of a relationship asks to access a Community a request to get access to the temporary community keys and list of relations can be forwarded either automatically or on request.

I throw a digital party. You are all invited and bring your friends and the friends of your friends!

General Infrastructure

This principle of non-linkability of instant messaging relationships even across Instant Messaging Providers is highly useful for a multitude of purposes in Infrastructure. For always-on mobile phone can remain anonymous and still be reachable by selected members of the Client address book.

By creating services of published Telephone books or other types of publishing of contact information in relationships where the Client access this through a pull mechanism such as a mixnet and the CPCPs published using a mixnet combined with reply-blocks the existing telephone system can be entirely privacy-enabled entirely eliminating the destructive trade-off between privacy, accountability and convenience.

Device to Device Authentication
A key part of this invention is the natural continuation of device authentication into Device-to-Device Authentication.

The key principle is that device in a local and trusted environment can be linked whereas external connections ONLY can be linked or connected through a shielded session or relationship. Devices cannot be direct addressable using a persistent identifier by any external party in either infrastructure or in the ambient space because this will create linkability outside Client control.

Device to External Device links can only be relative to the specific relationship in such a way that the device cannot be addressed outside the relationship.

In many situations in a local and trusted environment it is advantageous to delegate device control to other devices. This could be the case of a master key device in a complicated multi-device product where control over minor devices is transferred to the central key device.

Examples could a computer (CPU, keyboard, memory, mouse, storage, input/output device, network adapters etc), a car (ignition, doors, multimedia equipment, petrol tank, network adaptors etc.).

Other natural would be linked appliances in the home such as multimedia (television, radio, CD/DVD/digital players, computers, loudspeakers, remote controls, set-top boxes etc.), the kitchen (cookers, refrigerator other appliances), the home office (printer, computers, access, servers etc.), the system (heating, lighting, ventilation, etc.), the security system (doors, alarms, windows, outdoor lighting etc.).

It could also be a combination of these such as a car authenticating towards the gate and door opener to the garage.

The preferred implementation of this would be for the Client to have mobile Master Authentication devices specialising on key management and controlling specific Master Communication Devices (such as mobile phones, computers, etc.) which again control Specific Master Devices such as household intelligent network server, cars, workplace, home office, other Specific Master Devices etc.

In the bottom are the simple slave devices controlled by product tags such as RFIDs, Bluetooth tags or more advanced computational tags. These can both be simply attached to the product/device but also integrated and controlling some function such as a door alarm, the coffee machine, a garage door opener etc.

Each person will have at least one Master Authentication Device for mobile use (reduced functionality to protect against loss or theft), a more powerful home device, a backup solution to transfer control to new devices in case of failure etc.

At least two different user access roles are necessary. Firstly the ownership/Administrator access able to delegate device control to other device or user access to other Master Authentication Device holders.

Each person will then be able to control communication devices and through them the specific master devices and slave devices.

In this setup customisation is easily done through prepared preferences triggered on authentication according to the device setup. For instance a small child is not required to do intelligent authentication, but is proximity authenticated. Bigger children can perhaps access everything but with reduced functionality (computers are not open for all sites and services, television can be restricted, etc.) and adults can have full control over all devices if they desire so (a Master device can drill down through the various devices controls to change the setting of the floppy disk drive to make it read-only or change the lighting system so that a specific touch switch triggers a Room atmosphere setting with three lamps, 22 degrees Celsius and the radio to classical music instead of simply be an on/off switch for two lamps)

Applications

Instantly Revocable chip card

The main application of this invention is the ability to provide a fully discardable and instantly revocable multi-application, multi-identity Chip Card which can support creating, maintaining, authenticating and maintaining non-linkable relationships each within its own continuum of linkability of related transactions, accountability and communication support.

The same Chip Card can include a Passport, a healthcare card, a credit card, digital signatures etc. all in a fully privacy enabled version ONLY limited by the explicit unavoidable linkability such as uses where the individual are identified and the information used in this connection and not necessary or against the agreement stored in a identifiable version.

This invention explicitly implements a solution to revoke even anonymous credentials and digital cash by blocking the card process rather than the credential itself. This enables using fully anonymous credentials with protection against identity theft or similar problems due to loss of the card.

Digital Relations
This invention makes it possible to create generic two-way and group relationships with any combination of anonymity, accountability and cross-protection.

For instance two strangers meeting can exchange contact information using Privacy Reference Points using either a direct wireless protocol or using a device to coordinate the connection. In addition to the default managed accountability solutions, the relationship can be pure two-way anonymous combined with a direct negotiated and confirmed exchange of PACCs (accountability with any combination of trusted parts or devices) or identification.

This is usable in all situations (even remote) where people meet and wants to establish connection according to the situation context. This include but is not excluded to conferences, meetings, dating services, auction sites, transport, public events, accidental meetings at cafes, in the street, etc.

A special and very strenuous case is the example of a combined online and real world group therapy of victims of sexual abuse. Attendees want to be sure that no one is anonymously collecting information about the others and deliberately trying to abuse this information. At the same time easy and non-identified authentication and convenience for remote access is important.

Privacy marketing and customer loyalty

This invention creates the perfect support for what is known as the customer staircase – the gradual evolvement of a commercial or social relationship.

Leaving an anonymous connection point is absolutely safe for the customer and yet there is full support for communication, payment, receiving physical deliveries to be enabled at any later point in time. The social and mental cost of opt-in registration is therefore zero for the customer removing key transaction costs for the information society.

The customer in addition has 100% Opt-out guarantee, that he can always kill the relationship for any reason.

The basic setup is perfectly anonymous and from a legal perspective not transferring personal data from the individual to the store according to for instance the EU Data Directive. Subsequently customer data are likely NOT bound by the restrictions of the Data Directive, but can be considered 100% anonymous.

But still there is full convenience, trade support and communication channels availability. If the store can justify some sort of accountability, a PACC can be designed accordingly and still support any balance in the relationship.

Building customer loyalty is therefore only a question of the store service, products and communication.

Life Management

In the combination of a Privacy Authentication Device such a Chip Card can provide complete and secure access to all relationships with the ability to determine the level of linkability by externals subject only to practical decisions such as communication convenience, cost and concern.

Without changing the user interface and convenience in use for instance healthcare related relationships can be fully separated from other parts of the Client life.

Instant plug and play for devices
Client can acquire a new Device and instantly use this for accessing Client history by either upgrading this Device to a Privacy Authentication Device by incorporating the Chip Card into the device Chip Card Reader and cross-linking these or using an external Privacy Authentication Device to control the New device. Client can then either connect to a shared storage space for instance through a mixnet to access his personal data files or traverse relationships and collect relevant information for address books or more specific profile information depending on the type of device.

Infrastructure session authentication

A very important aspect of this invention is the ability to create communication devices able to establish convenience, availability and payments without providing traceable authentication towards infrastructure.

For instance a modified mobile phone can be turned on and authentication towards an anonymous one-time-only PRP. This session can be provided with all sorts of localised services such as location information, in-store services, ticket-based, ubiquitous device management etc.

The mobile phone can use the store information to publish the context-specific contact points (CPCP) making the users anonymously accessible for family, friends, work, groups etc. in real-time and always on.

By creating business-card access points (listed and identified telephone, email or similar contact information) and then creating mixnet reply-block combined with CPCP.

The same principles are easily tranferrable to other type of communction such as wireless networks (such as WLAN) and fixed-net networks (such as LAN).

Peer-to-Peer/Instant Messaging/VoIP/Chat
The invention creates a breakthrough in connecting decentralised access points without depending on a centralised entity in control. Two Clients in a relationship establish a shared relationship secret and a domain-reference. As long as they use the same algorithm, they can both create the same context specific reference (CPCP) relative to a domain reference and publish this only linkable to a one-time-only PRP.

The domain reference can be dynamic and managed by a group of synchronised peers together with a dynamic shared table of peers operating the domain. The domain operator receives a CPCP linked to a PRP and try to match this with other CPCPs.

When a match is found a link message is forwarded through the relevant PRPs link the two otherwise anonymous sessions. The two Clients now which relationship, they are connected to and can subsequently carry out a zero-knowledge authentication to verify this. The session can continue either on a direct peer-to-peer basis, through the PRP-providers or the session can be handed of to any other session support such as a dedicated router acting as a proxy doing explicit routing or address shielding.

The consequence is that the same relationship without increasing linkability can be used as entrance to both high-bandwidth protocols such as video conferencing, always-on protocols such as Instant Messaging, dynamic Peer-to-Peer such as Voice over IP.

IPv6
In IPv6 there is a naïve notion of one IP per device. In order to provide security it should be one IP per device per session or rather per PRP-session. By coordinate IPv6 with PRPs IPv6 can be upgraded to include privacy. Key is that authentication and accountability are independent aspects.

Grid
The idea of sharing computer recourses for renting of capacity and there by both better utilising existing computer resources and making possible massive parallel computing for instance for research projects are attracting a lot of attention. However, creating one virtual computer with direct access to all information is providing for massive privacy invasion and security breaches in all different aspects.

This invention provides GRID computing with a balanced solution by de-linking transactions and thereby decentralising control. The basic linkable services need to be client-side in trusted environments tightly controlled by the Client. However coordinating services, brokerage, PRP-providers, IM-providers etc. can make extensive use of GRID computing as they are characterised by the inability to abuse the information provided.

Creating Privacy instant messaging across Interactive Services.
This is for instance highly useful for interactive television sessions with distributed Group Television. When the content is broadcasted and the television add an overlay with the customised part in another two-communication line, interactive television can be privacy-enabled.

For instance combining a PAD authenticated to a television session link to two-way relations with broadcast television. The content provider or a content service provider can host specific services and support the Client viewer in his use of the broadcast content. This is highly relevant for news programs, knowledge programs, entertainment etc. One can even imagine that the program has different impressions depending on preferences so that for instance Clients preferring happy endings to movies can get happy endings and other can get other endings. Similar programs can have various focus on the same subject so that for instance elements of programs can result to different tracks or content changing viewpoints, focussing on technical aspects or emotional aspects, more or less action, more or less romance etc.

In addition this opens for creating entirely new program concepts and interactive services where highly localised and customised interactive features interact with

broadcast content such a game shows, quiz shows, discussions of issues related to the program, voting on issues, prioritising questions from the audience to interviews, providing input to direct the continuation of the program, rating programs etc.

This also creates a powerful linkage between commercial interests and broadcast media. Online or integrated product presentations can be directly linked to the audience purchasing products or just creating contacts requesting further inputs. This can be combined with program sponsoring and other sorts of trade promotion.

Instant Relationship can both be created Program specific (key equals Hash(relationship secret XOR Program specific key)), combined with ordinary instant messaging (Key equals Hash(relationship secret XOR Date/other non-program specific)) and a combination in the form of a call to participate.

A combination of a generic PLIM and a program-specific PLIM creates an entirely new way to enable fast audience attraction to interactive activities as this creates a virus effect. Each Client participant pages his relationships which again pages their relationships etc. This works seamlessly across communication channels, protocols, providers of infrastructure, instant messaging, PRPs and identity services.

One key component here is that it is non-intrusive. It ONLY works for Client that are actually online and has the IM and paging features turned on.

A Client can be virtually always on by proxy using a virtual service combined with a trigger to locate him. This trigger can be anonymised against constant tracking using for instance a mixnet reply block solution, broadcast or other non-traceable or hardly traceable solutions. It is noteworthy that the accountability issue is orthogonal to this as PACC can be linked to the proxy and a authentication is integrated in the connection phase between the two parties.

Privacy Rights Management (PRM) - Digital Rights Management and Content Distribution

The direct link between transactions and personal control also creates a privacy framework for Digital Rights management. Clients Acquire rights to some content linked to a PRP where encrypted keys are stored. This way acquiring digital content does not increase linkability and yet it is accessible from everywhere independently of channel or media.

One possible way would be to re-encrypt the content keys with device specific keys such as DVD-players, televisions, portable devices such as PDAs, portable or desktop computers or any other multi-media equipment etc. For high-value content dedicated versions of content can be created together with specific protection such as watermarking etc.

At any time Clients can replay content by collecting the encrypted decryption keys from the PRP, transfer this to the Privacy Chip Card and then decrypt the keys for the proper use.

In addition content can be prior distributed to a Content Service provider to shorten the broadcast time by distributing prior to certain events or utilising periods of less traffic (night-time) and minimising the repeat distribution of content over long and central connections. When access rights are acquired the relevant content specific key is created and encrypted with a private key controlled by the Privacy Chip Card combined with a generic reference and ticket to collect the content from the distributed net of Content Service providers. Clients can collect and store content locally, but can at any time connect and reuse the prior required content independent of devices and locations. Content can be available in multiple formats using the same keys so that acquire content can be replayed independently of device, channel and media.

Protecting Identity Providers

Any Client is assumed to use multiple Identity Provides and PACC according to personal preferences related to communication convenience, cost and linkability. By including an anonymised PRP-layer based on Chip Card-specific PRP in front of access to Identity Providers two major advantages are created. First the Client can block a specific card without linking the various identity providers. Second the PRP-layer will introduce a protection of the Identity Provider from the Infrastructure access provider (ISP, telco etc.)

Personal inventory management

Such a new device could for instance be a Inventory manager incorporating a combined RFID/Bluetooth, WLAN and microware reader able to communicate with all sorts of devices or product tags.

After purchase information about all devices and Product Tags with Digital Device Keys can be registered in a Personal Inventory. Using handheld or fixed readers (for instance at the house entrance) it is possible to keep track of all personal belongings and create personal inventory services such as maintenance (invoices, guarantees, service contacts etc), reminders (checklist when leaving the house, lending-lists etc.), where is this thing (glasses, keys, purse, books etc.), insurance related, theft protection (broadcasting shut-down or yell commands).

When lending a device to someone, a new set of Device Secret (DS), Group Secret (GS) and Device Id (GI) can be created and the keys shared with the person borrowing the device in such a way that the borrower cannot access the original keys. When issuing an authenticated kill commend this set of keys can be deleted. When issuing an authenticated kill command to the last set of Client keys, the device can be restored in its original state and continue its product life cycle as part of the recycling process.

Theft protection would simply involve enabling response without authentication. The owner broadcasts a theft authentication and reports the device identifiers together with contact information. When any reader picks up the device without authentication, the device is traceable and the owner can be informed. This form of theft protection would have the added benefit that ALL readers will be on the outlook for devices that are NOT privacy-enabled and reporting these. When making non-privacy enabled devices subject to fines or penalty the initial privacy problem is reversed into privacy protection.

Privacy-enabling Personal Accounting, cost accounting etc.
Today most personal accounting is done through the balance side of the personal or family Accounts ledger (bank accounts) etc. not providing for the critical Profit/Loss statement describing accurately how the account period has changed the Client financial situation. Banks, credit card companies, Online Billing and Payment services are moving towards getting access to the invoices also. The consequence of linking identified payments with invoices is significant destruction of privacy and infomediary control.

Using Privacy Reference Points Client is able to anonymously traverse his own history of transactions and collecting the invoices etc. for accounting purposes. ONLY the Client is able to do this is a trusted environment such as his own desktop at home.

Similarly the linking of detailed invoices over product codes to the producer product information can provide basis of more advanced services such as cost accounting (calories, vitamins, allergies, general diet etc.), spending distribution on categories and sources (rich/poor countries etc.), but also provide for ways to distribute warnings from producers to customers with defect products, product updates or related information.

The account perspective is especially improved given the fact that this invention makes it possible to do dynamic linking of historic transactions in case new focus emerge. For instance the growing consumer attention of the issues of radiation of wireless communication and the energy consumption of electronic devices is likely to lead to changes in product information. Producers can update product information at home and consumers can access this information for historic transaction in exactly the same way as for new transactions after the information update.

Self-service shops
A very advanced application of this invention would comprise of self-service shops combined with anonymous credit, anonymous relationship support for loyalty purposes, just-in-time value chain support combined with theft protection with RFIDs. It can work like the following.

The Client authenticates on entry to a self-service show by authenticating towards the Service Provider and the Service Provider returning the encrypted shop specific customer number of the Client to the Shop Computer. This way a Client-specific and authenticated session is established between the Client and the Shop Computer for in-store communication services.

At point-of-sales (POS) of the Unique Product Identifier (UPI) of a product is collect from the RFID tag and transferred to the Client together with for information related to price, product and other conditions of the purchase such a guarantee.
Client verify purchase and the purchase amount is authenticated using the anonymous credit protocol and deposited with the Service Provider combined with a .

Privacy Delivery coordination
This invention can easily be extended to support mail-order etc. as for instance delivery and brokering same-time release of payment and product can be coordinated through the PRP-provider. Zero-knowledge authentication related to drop-points and dynamic late addressing where the shipper receive information of the final drop-point AFTER the product has left the producer is achievable using the principles described in "Establishing a Privacy Communication path" , xx.

One valuable application of this it the ability to create cheap electronic stamps with integrated protected addressing using RFIDs. Envelopes can be created with integrated tags which can be modified to both the proper pricing and receiver-control of addressing (to drop-points etc.).

It should be noted that the zero-knowledge protocols presented as part of this invention is even stronger than in the above invention in a number of ways providing means to protects against some very advanced attacks such as the Shipper trying to trick the Client into verifying receipt of one parcel where he is in reality receiving another.

Trade Brokerage
It should be noted that this invention provides a very advanced and innovative extension to the above patent application in the fact that this invention does not rely on an identity provider to create transaction support. This invention therefore provide the ability to create truly anonymous support for same-time release of payment and product in both in-store, mail-order, and for instance for advanced auction applications.

Hosted CRM and SCM
This invention provides the means for very advanced outsourcing of support for customer care and supply chain processes. In principle the store does not have to have any internal IT except linking to the PRP-providers and professional services (call centre, financial management, sales/marketing etc.) for customer care and combine this with providers of logistics and purchase services to support product procurement.

It is easy for the any skilled in the art that Privacy delivery can be extended for multi-step value-chain support.

Multilevel SCM and CRM

A very strong application is that this invention supports the ability to link the entire value chain without changing the relative power distribution.
The store can connect suppliers with customers without risking suppliers trying to reach consumer directly. In other words the store customer database is protected from abuse and still the store is able to make full use of supplier interest in providing value added services and support to the various products. This can even include mass customisation or tailored products made to order.

This can be done in at least three basic ways. The easiest method is the direct where the PRP is considered a group relationship between the Client Consumer and the store as the main parties and store suppliers as sub-relations with access control by the store. The store can further arrange for re-routing using inhouse pseudonymisers so that suppliers appear as part of the store organisation. Using a principle of tickets each purchased product can be turned into a direct relationship connection with the provider under full control of the Client. This last solution would however likely lead to disruption of the value chains as producers would gain direct contact with end-users outside store influence and control.

Adapting device to device authentication
Washing machine group authenticate all clothes and then authenticate each individual piece of clothes to identify washing parameters and protect against wrong programs etc. Clothes can be linked to Ironers etc.

Instead of authenticating the product tag can be adjusted to the specific appliances through the PRP-link to the product supplier. Each piece of clothe could store only the washing machine information (colour, temperature, other aspects) without storing any product identifying information. This reduces the risk and complexity. Also it ensures backward and forward compatibility of the device to device authentication if only the product tag can be updated and the (PRP) link to the product supplier is established.

For instance a Client can contact the producer of clothes or food with the specifications of the version of the washing machine or refrigerator. The product information can then be formatted according to the specific appliance device to provide a simple interface as an extract from the detailed for instance XML-formatted product information. In other words the product owner can maintain and update a product inventory with more detailed information that is made available in the product tag for day-to-day operations.

Road Pricing / ticketing / Public Transport payment / Car Parking etc.
A very advanced solution would include a combination of even simple RFID-tags with multiple different Group Authentication specific to for instance public transport, car parking etc.

Each Group Authentication key would upon a Privacy Device Authentication release a PRP-reference pre-encrypted with a public key of the provider of services (e.g. transport company) together with an authentication pre-encrypted for the Service Provider of the PRP. The provider of service would then forward the message to the PRP who upon authentication would release pre-encrypted tickets, tokens or payments

For tickets working for a time period, the RFID can easily be modified incorporating this period when comparing the timestamp so that it will release a link to the already authenticated ticket until it receives a Group authentication attempt with a timestamp outside the specified time period. There can be an overlap for discounted extensions. But eventually the RFID-tag will act as if the Group authentication is just a new ticket request and act subsequently by responding with the next PRP.

In case the RFID-device is lost, the Client can block all related PRPs and transfer the tickets to a new RFID-device. Client can update the RFID by Device Authentication the root device key are transfer updated prepared PRP. A more advanced solution would be a ring principle where each PRP upon authenticated would respond with the next PRP to save space on the RFID-tag.

Incorporating the Anonymous Credit Principle would further mean that tickets can be both pre- and postpaid without altering the convenience and privacy properties.

This means that even cheap and simple RFID-tag based on proximity and automated ticketing can be fully privacy-protected and even anonymous without introducing any cost related to convenience or risk of abuse.

Using more powerful Client solutions the full range of services can be enabled including web surfing using the transport (bus, train, plane, ferry etc.) access points with suitable PACC negotiation, buying new or paying for old tickets using Privacy Credit Card Payments, Digital Cash, Anonymous Credit or other types of payment.

Combinations are easy extensions such as for instance a Conference Registration Ticket with customised meal tickets, sub-events, car parking, pre-paid or discounted public transportation combined with establishing relationships with selected conference attendees using a pre-prepared list of PRPs with related profile information. In addition to the integrated accountability and contact information, profile information can include publications, company information, product information, requirements for demanded services and products, project description.

International HealthCare Passport

A very important application of this invention is the introduction of a portable HealthCare Passport enabled across national borders where emergency units (hospital, ambulances and even first-aid support staff at for instance sports events) anonymously can group authenticate to access the basic and vital Cave healthcare information related to allergies (towards anaesthesia, antibiotics etc.), heart weaknesses, diabetes, infections diseases (HIV etc.) and other information to the specific person in question such as health insurance etc.

Since the Client (patient) can be indisposed this information is to be non-identifying and positioned outside the basic Client device authentication combined with alarms and means to ensure follow-up on any attempt to access this information.

By further enclosing entry-point to contact the Personal Doctor or dedicated emergency support functions in the patient home country supplied with means to provide further access to the Personal Doctor or other with access to the specific patient HealthCare files this invention provide the solution on how to gradually escalate access to sensitive health care files without risk of unjustified privacy violations.

Similar entry-point to contact family members in case of emergencies can similarly be stored here.

This solutions is still fully discarded as the information provided is anonymous and not in itself abusable, there can be tight PRP-supported control with any attempt to access this part and the setup is fully revocable as the reply-blocks to create access to doctors and relatives can be stored encrypted with the PRP-provider and deleted without having access to the Healthcare passport itself.

International Passport with Biometrics

Another key application of this invention is the ability to provide privacy-enabled and revocable solutions for strongly identifying international passports with biometrics case linkability to the individual. Key is that the Passport Chip Card contain biometric templates encoded with one-way protection. To authenticate the Chip Card holder has to be able to reproduce the matching information to access the signatures verifying identity.

Both Identity and biometrics and be verified against block-lists in a safe environment without registering biometrics or identifying information for citizens travelling. In addition the PRP related to the entering a national border can be use as a natural ticket for the travel and provide linking for the exit and include accountability to establish verified identity in case terms of exit is not meet.

Since the PRP-support provide instant chip card specific revocability the ability to copy and abuse unvoluntary access cards is close to eliminated.

Further alarms and controls can easily be introduced for any such sensitive authentication for instance by combining this with transmitting information to the card holder himself the card or using travel credentials to citizens similar to the anonymous credit scheme to ensure that all travel is accounted for without thereby implemented a tracking of the individual.

Abuse in this setup is therefore primarily limited to the quality of biometrics in itself and the ability to establish passports linking one set of biometrics with another identity which is basically a problem related to the issuing authority which will then be traceable. A way to detect such organised abuse would be to include statistical verification of passports from various issuers based on random linking of verifiers and issuers to prevent organised collaborations.

Referrals

Doctors referring to further investigation at for instance x-ray etc. can be done through context-specific pseudonyms and tickets. A patient can go to a HIV-test and have it made without identifying towards the HealthCare person. DNA biometrics is NOT ensured this way and actual tissue and other organic samples has to be treated with care not to get directly linked with any digitally identifying information.

Electronic voting

A very advanced form of electronic voting can be enabled by combining PRPs with credentials. PRPs are inherently anonymous unless they are linked to a PACC and credentials are by nature anonymising which make the entire vote anonymous.

All citizens can receive a one-time-only credential for at specific vote event. Each credential is non-transferable if lock to a digital signature.

Using any Privacy Device Authenticated communication device, the citizen can establish an anonymous connection and use his credential to enter the voting booth where he can then vote anonymously.

This can be combined with entering a physical boot so that nobody can be forcing the voter to make a different vote than the voluntary and best informed democratic vote. The purpose of this is to protect against forced or traded votes.

To protect trust towards errors in vote counting, each vote can be published with a reference for instance created as a hash of a random pin and a non-linkable part derived from the credential. By comparing the total number of votes with the number of credentials, the vote can be protected from vote spoofing and each vote can be verified by the citizen, who made the vote.

To protect against blackmail or other forced alterations of votes, the voter can be equipped with means to fake any vote. One way would be on request in the voting booth to generate both the normal vote and a full set of false votes displaying different pins for each vote together with adding a counter to subtract a vote from each possible vote.

The voter can then without indicating which vote he was supposed to make mentally note down the pin and thereby plausibly claim any vote. He will however still be able to verify that he voted for the correct candidate and the voting officials can verify that

votes are EITHER single (normal votes) OR a single votes combined with a full set and a subtraction counter.

Device theft protection with GPS response

The basic principle of zero-knowledge device authenticating a device provides the perfect solution for non-privacy invasive theft control. When a product of value – such as for instance a car – is stolen an authentication towards the device theft control can be broadcasted over any protocol such as radio, mobile, WLAN, Bluetooth and especially on selected relevant hotspots such as petrol-stations, ferries, car parks, border crossings etc.

When the theft control is locked with the car start authentication device control which is again deeply integrated into the engine, use of a stolen car can be made impossible and removal of this control similar almost impossible.

The theft device control can be supplied with a cheap GPS-receiver tracking the location and thereby reporting the physical location of the stolen device ONLY in case of theft. In any other situation this invention will have no negative privacy or security side-effects.

But even without a GPS tracker a theft authentication can mark the device stolen and also make the device unusable.

Locating children (in Zoo etc.)

The dark room solution (Café, Disco, conference, event)
When entering an event, a link to the event community is provided.
A newcomer create a Node (PRP) for the Event Community and create the event specific personal address book as a selection from his general address book and create event-specific zero-knowledge Relationship Authentication Requests (RAR). These are based one a shared key which is shielded with the event specific key (for instance DS(event)=DS(Relationship) XOR Event Key).

He checks if any of his Relations are present already by verifying requests against his event-specific address book.

He then stores call for Relations for new arrivals after his. He can also create for instance Call for Contact or just leave Event-specific profile and contact information for historic use.

When leaving the event, he removes his stored Relationship Authentication.

Applications: Large crowds (any of my friends here? Where is x that I was supposed to meet), Large distance (where is my child? Request contact – auto/consent-based reply)

Privacy Instant Messaging and anonymous Contact information for anonymous communications channels

Money anti-counterfeit

Plans are emerging to use RFIDs in money notes to protect against counterfeit money. This invention provides an advanced solution against counterfeiting that is at the same time privacy preserving. The group authentication code combined with a number of non-linked references can be use to create any desired property of counterfeiting which can be both off-line, online or a combination.

The off-line version can simply be implemented by money issuer to sign the hash combination of a series of random references, a unique note number and the monetary value of the money note and store these together with the reference number. The note specific Device Secret can be a unique note number requiring visible access to the note. Since the Device Authentication is providing a shielded session secret R only the verifier can carry out the verification. These can even better shielded by more complex algorithms.

The online version is more troublesome as this can lead to tracing of notes. This can be solved using anonymous and non-linkable transactions. Each note have a number of non-likable one-time-only PRPs providing a check for counterfeit and especially protect against copying the RFIDs.

This could include removing the unique note number and instead use the same Group Authentication Code for a larger selection of money notes.

Another element would be to combine this with a revolving method so that each PRP contain authentication and encrypted information about the next PRP. This information is transferred to the RFID. If the RFID-note is a copy then the copy would invalidate the original as only one string of PRPs could work at the time. In other words accessing and splitting the RFID of an original would not provide multiple PRPs to make multiple copies.

A further advantage is that taxes etc. can be collected as part of anonymous transactions and thereby reduce the administration for companies and trace of citizens and companies.

Money loundering

It should be notes that in the preferred setup the electronic payment system in this invention has a built-in anti-money-loundering scheme in the closed loop monetary-system – money is transferred to/from bank accounts and only entering passing through one transaction where taxes etc. can be ensured.

This scheme assumes that cost of transferring money to and from banking accounts is only covering the real cost – otherwise the anti-money-loundering scheme can be abused by banks to create an artificial fee structure with abnormal profits. In such case recirculation of electronic cash should be used to create a free cash flow until abnormal fees have been removed from the pricing structures.

Protection against money-laundering of physical cash is more troublesome as this can include requirements for tracing the note from owner to owner and thereby creating total linkability of cash transactions. Without protection against money-laundering nobody should be able to recreate the series of PRPs related to the same note.

To enforce protection of money-laundering, one both have to create linkability of PRPs AND enforce sufficient number of checks for counterfeit etc. to investigate the transaction flow. One way to do so would be to implement ownership control of the physical money note through the RFID-tag using the principles described in this invention.

Ownership control through the RFID-tag would also provide the benefit that physical money could not be stolen and create huge resemblances between digital cash and psychical cash perhaps even to the point where using physical cash would not provide any benefits.

Surveillance cameras, microphones etc.
Devices such as cameras, microphones etc. can be equipped with a built-in rights negotiation so that if any Client is nearby refusing any recording due to privacy issues, these are shot of and both show this in a physical way (something blocks the view) and digital by stating stand-by.

If the devices are there for security of either people or assets, Client can be acquired to authenticate by leaving a non-linkable accountability proof. This can even be combined with a built-in deteriorating as time goes by and no problems are discovered.

IF – and only if – Clients does NOT authenticate according to context Cameras can turn on. By encrypting the content using keys according to privacy principles meaning external and multi-steps needed to get access to decryption keys, abuse outside democratic control can be prevented. These kinds of Privacy protection should be required and verifiable.

For use of recording devices in the personal and ubiquitous space such as Mobile phone Cameras, recorders, microphones etc, strict permission has to be acquired BEFORE devices can start recording.

By linking these devices through PRPs to Event-linked PRP all recordings etc. can be instantly and permanently reachable by all participants documenting events for the future.

A special application of the above is the ability to combined road-pricing and speed tickets without invading privacy related to location etc. When a speed limit is broken and the car is connected to road-pricing ticket drivers can receive a warning first or be directly fined and immediately charged. The Proof of the offence can be stored in an encrypted form that only the driver can open. In case the driver later refuse or wants to appeal the speeding ticket, he can voluntarily open the proof for further investigation.

Linkability can be created according to the offence so that mild tickets are not linkable, but significant speed-driving require the creation of signed acknowledgement of speeding.

If the driver refuse to create linkability or to accept the fine, then and ONLY then the proof is stored and available to the relevant authorities. This can be further combined with the road pricing programme to block further access.

Privacy preference coordination and Ubiquitous information coordination
A very important application of this invention is establishing privacy control of the ubiquitous, ambient intelligent and semi-public spaces.

Any sensor recording information that is potentially abusable can automatically require receive accept from any person present even to initiate recording. Since this accept can be time-limited this can be propagated to the recording to be deleted or the decryption keys to be deleted after a certain time-span.

A specially valuable feature may be an option to pre-accept recording and retaining the option to delete the recording AFTER the event based on either a passive (deleted if no confirmation after the event) or active (recording is stored unless the person requests so).

A very valuable add-on is the ability to establish asymmetric links for everyone with a natural interest in the recorded material such as a recording of a discussion, a picture, a video etc.

In the authentication process the sensor devices receive one-time-only references to each person present. By storing here information about the sensor, references to the recorded material and information on how to access the material, each person present can in real-time or as long as the recording is stored access the material for personal use.

One additionally relevant feature here is that each person has a different reference to the recording as this is relative to the event itself, but not just globally available. Each participant has a separate PRP to link to the event and the reference is thus established relative to the participant-specific PRP for instance in the form of <PRP-reference>.<Recording-reference>, where <Recording-reference> is only context-unique for instance as a number sequence reused among all events. In other words knowing the Recording-reference without a relevant PRP does not provide linkability or access.

Recordings from any gathering of people can as such be instantly shared among participants which is highly useful for social events (e.g. parties, interesting discussions, etc.), academic (conferences, brainstorming, problem analysis), education (in classroom discussion, remote access), commercial (e.g. any agreement, meeting, exhibition etc.), public (e.g. negations with tax officers etc.).

This could for instance be highly valuable in the case of phone-based ordering of goods and services. Voice recordings are biometrics and identifying. Therefore recordings are link information destroying privacy – at the same time there are situation where a recording is valuable to validate what was the actual agreement in case of dispute. An acceptance could be to accept recording on two conditions – a) When the deal is over and all obligations meet the recording is deleted and b) that the recording is encrypted using keys from both participants so that no party can access the recording without the approval of the other party.

Another scenario is an event where someone takes a picture and this picture is both in real-time and post-event available to any present to remember.

Legal and standards Issues

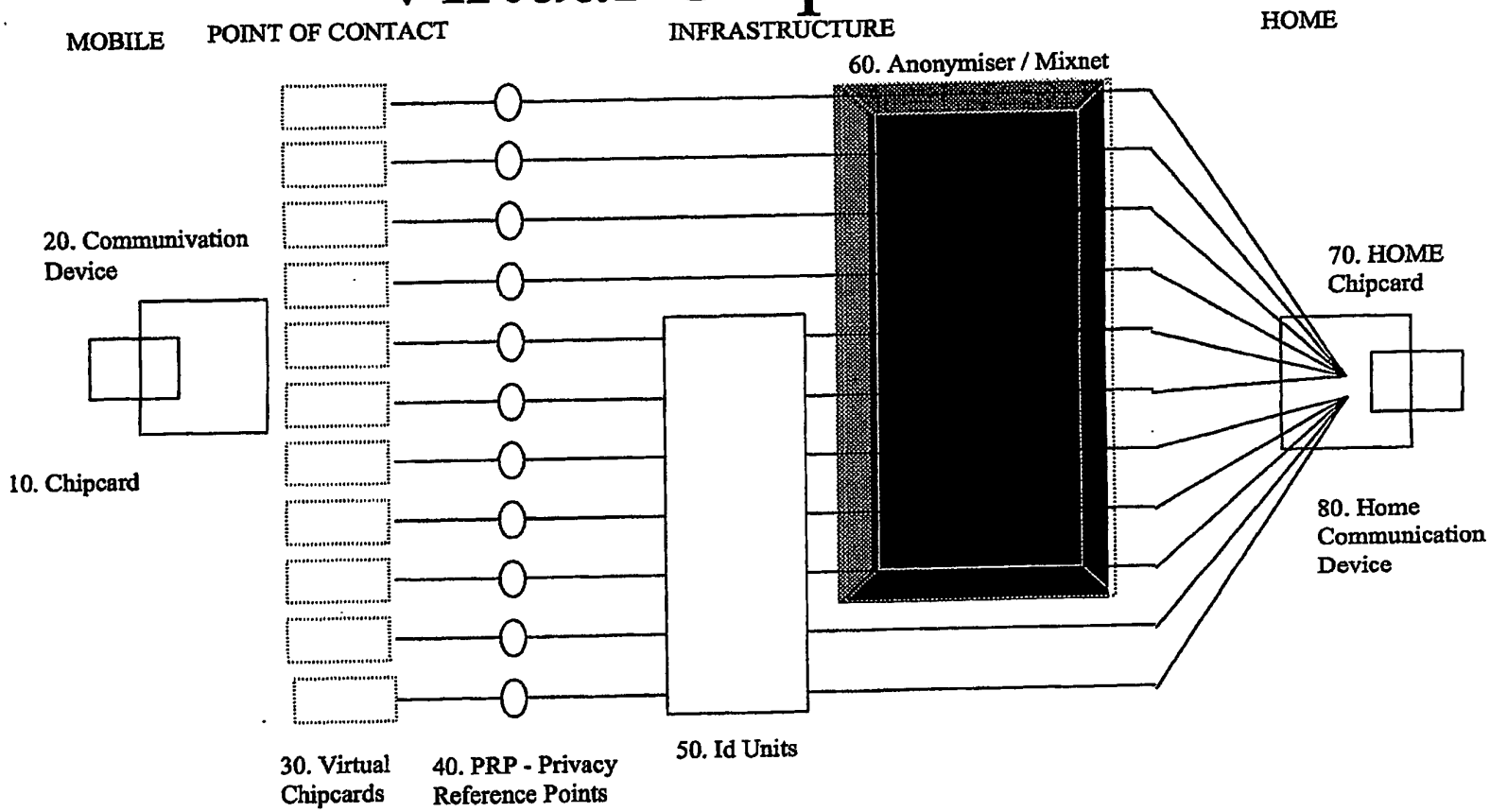
RFID and other wireless device components can by law be disallowed to reply without authentication to protect privacy.

Combined with this invention Stores interests are aligned with consumers and producers. IF an RFID, Bluetooth or other device is detectable without dedicated authentication upon exit from the store means one of two things – EITHER the product is being stolen OR some product does not apply to basic privacy standards meaning the consumer is not protected AND both the store and the producer has no digital support for the established consumer relationship.

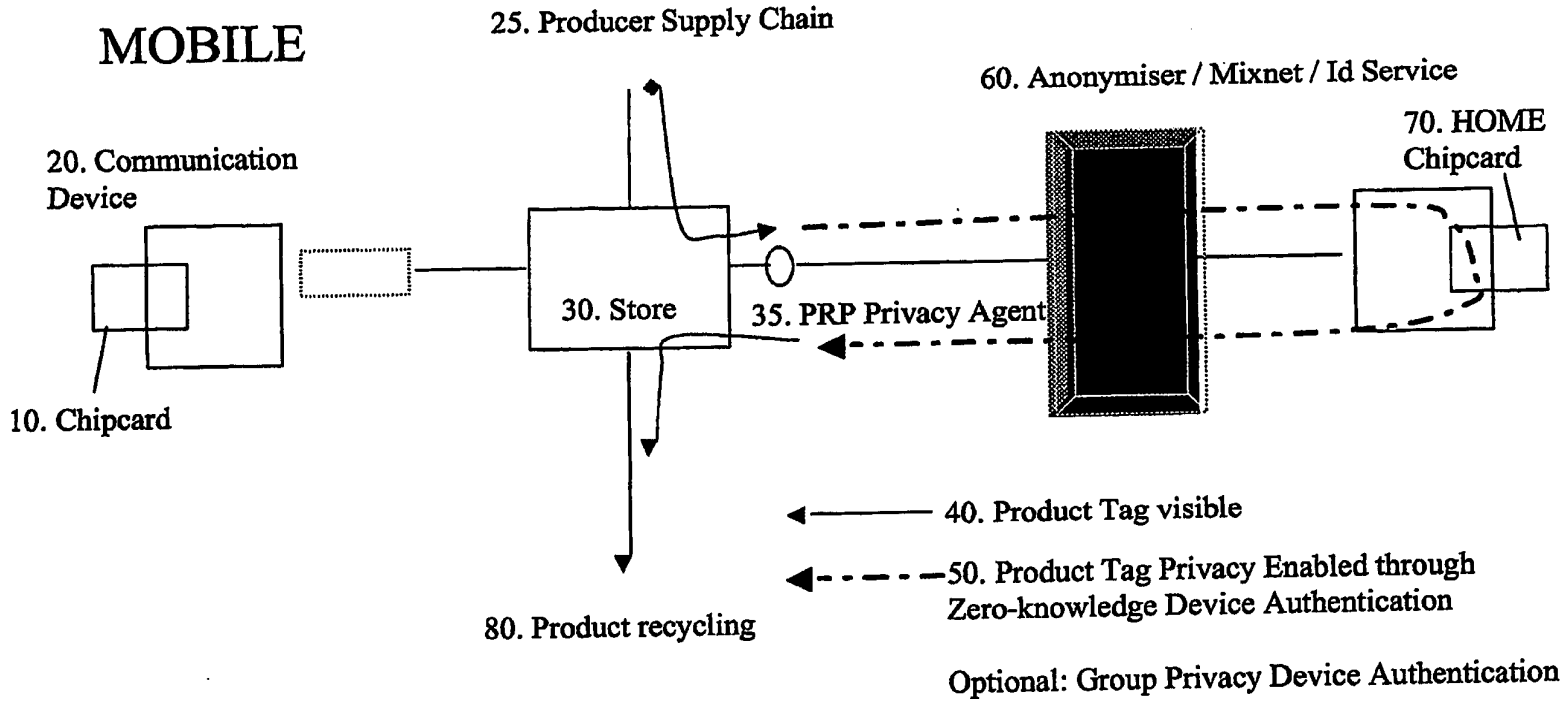
In case of theft for instance doors should block combined with an alarm. The product is easily locatable as it itself tells both which product it is and where it is.

In case of a product error, this is customer service and the producer should be notified and perhaps even be charged a fine for violating privacy and damaging shop customer relationships.

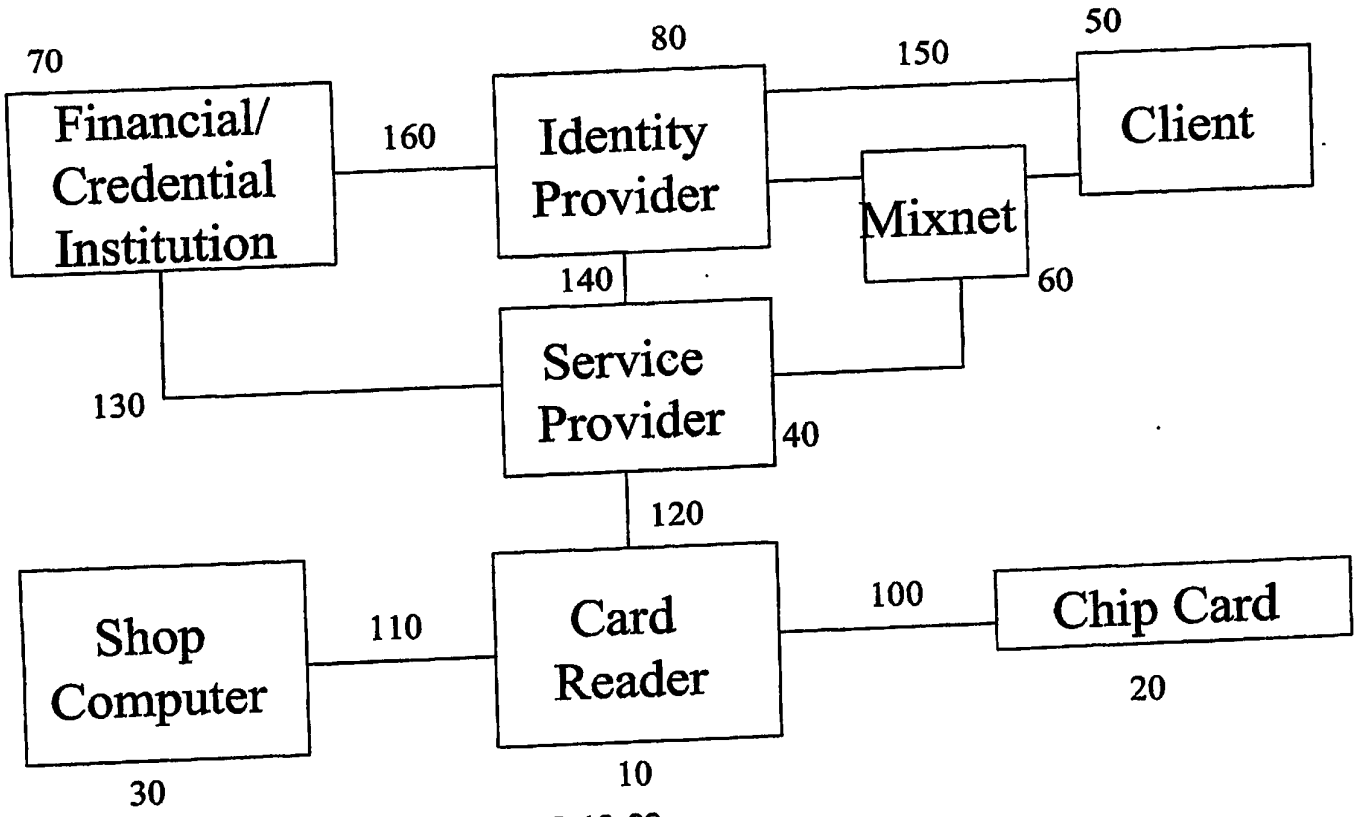
10 PRP-Privacy Reference Points Virtual Chip Cards



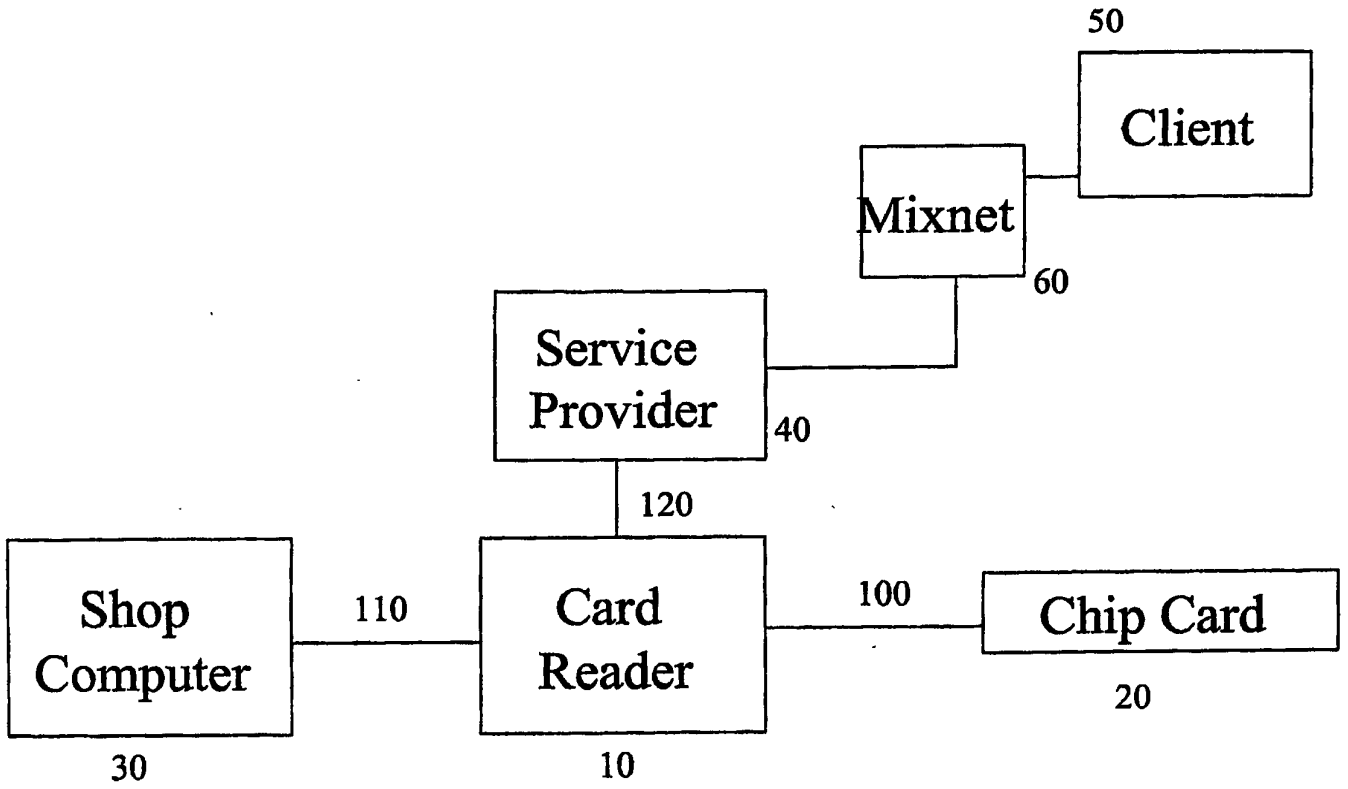
20 Privacy Product Tags
RFID Privacy lifecycle



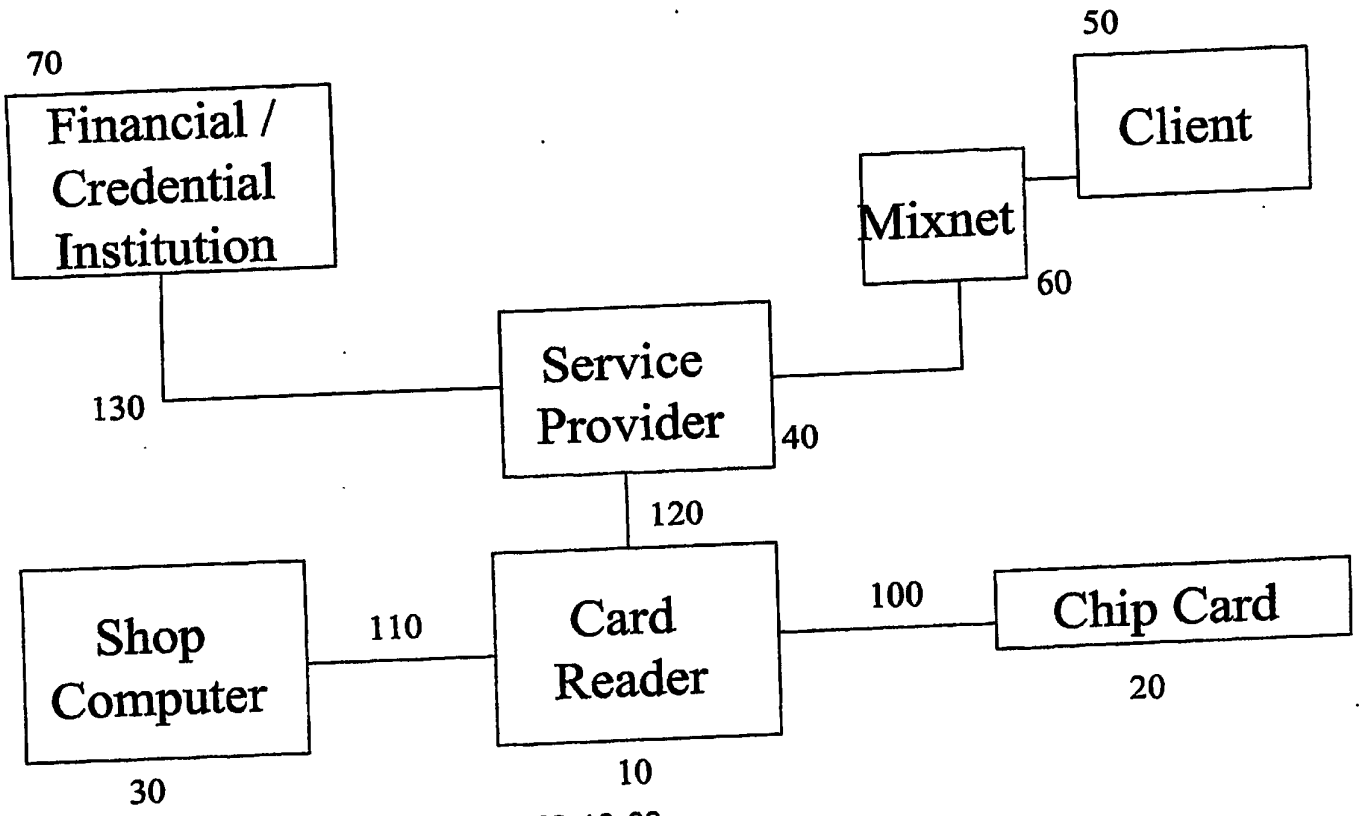
100 - Privacy Infrastructure



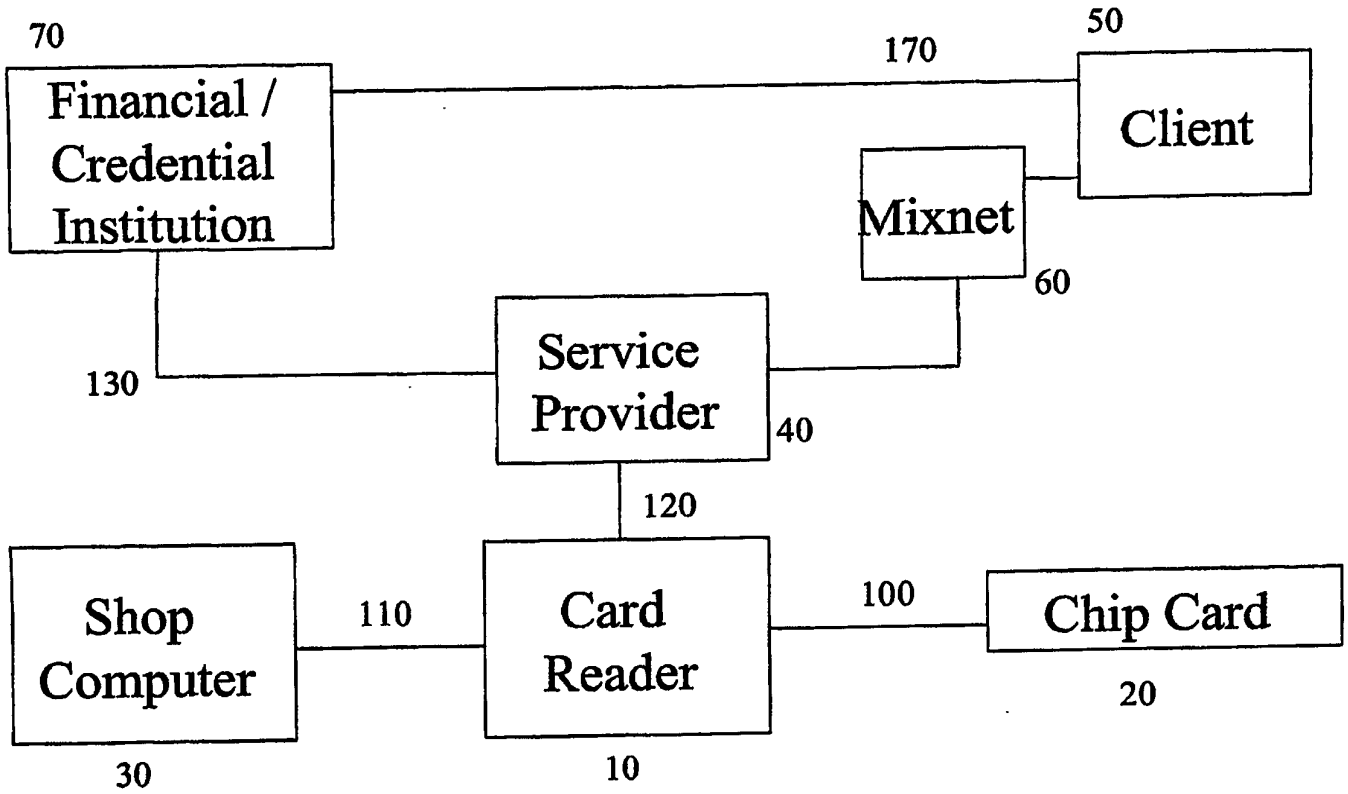
110 – Basic relation



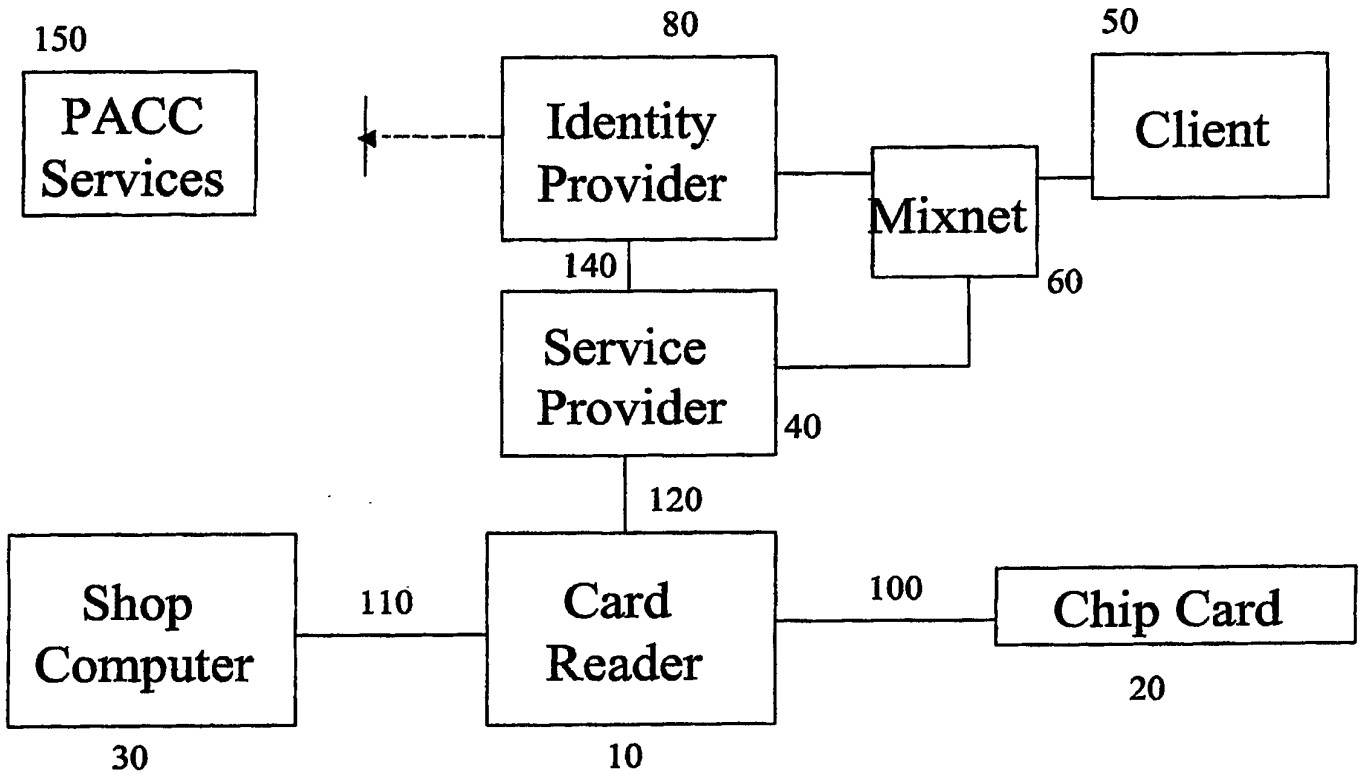
120 – Managed payment support



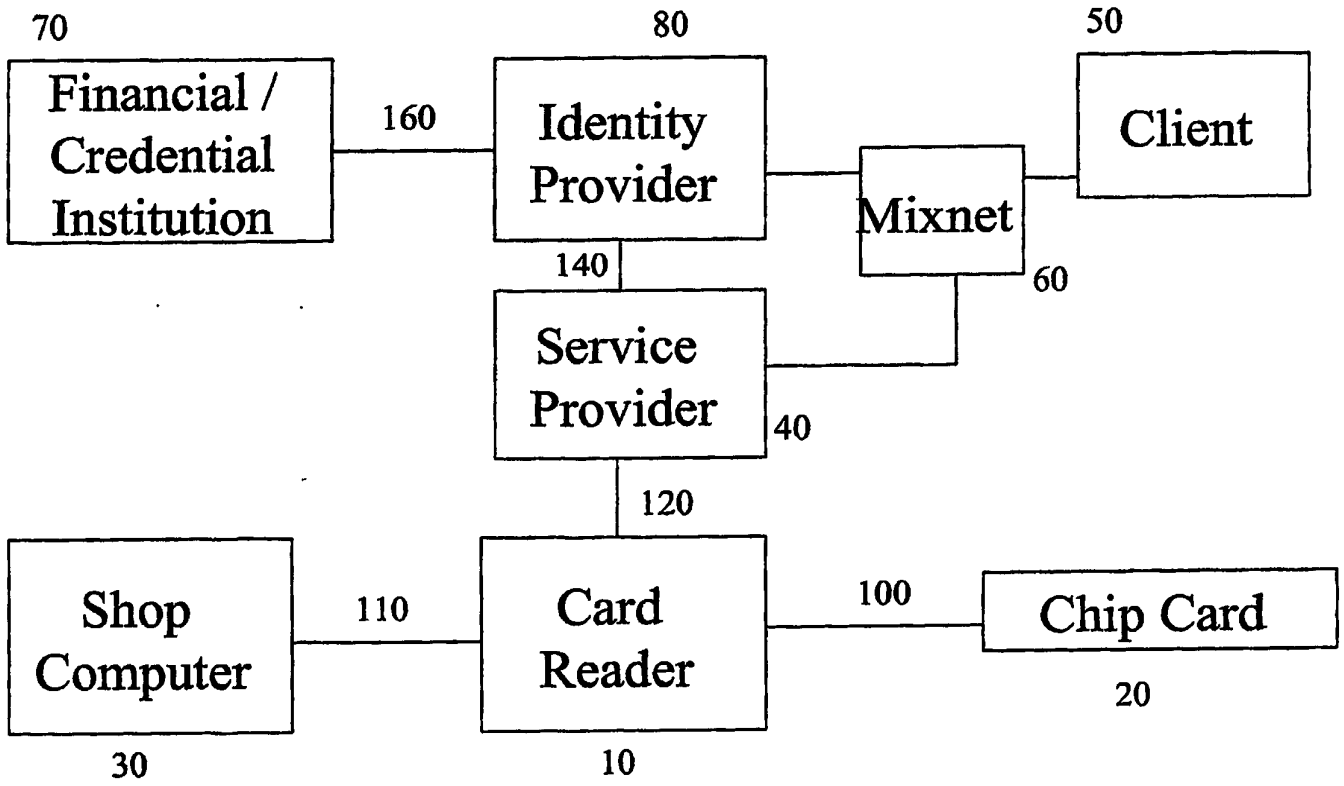
130 – Anonymous Credit



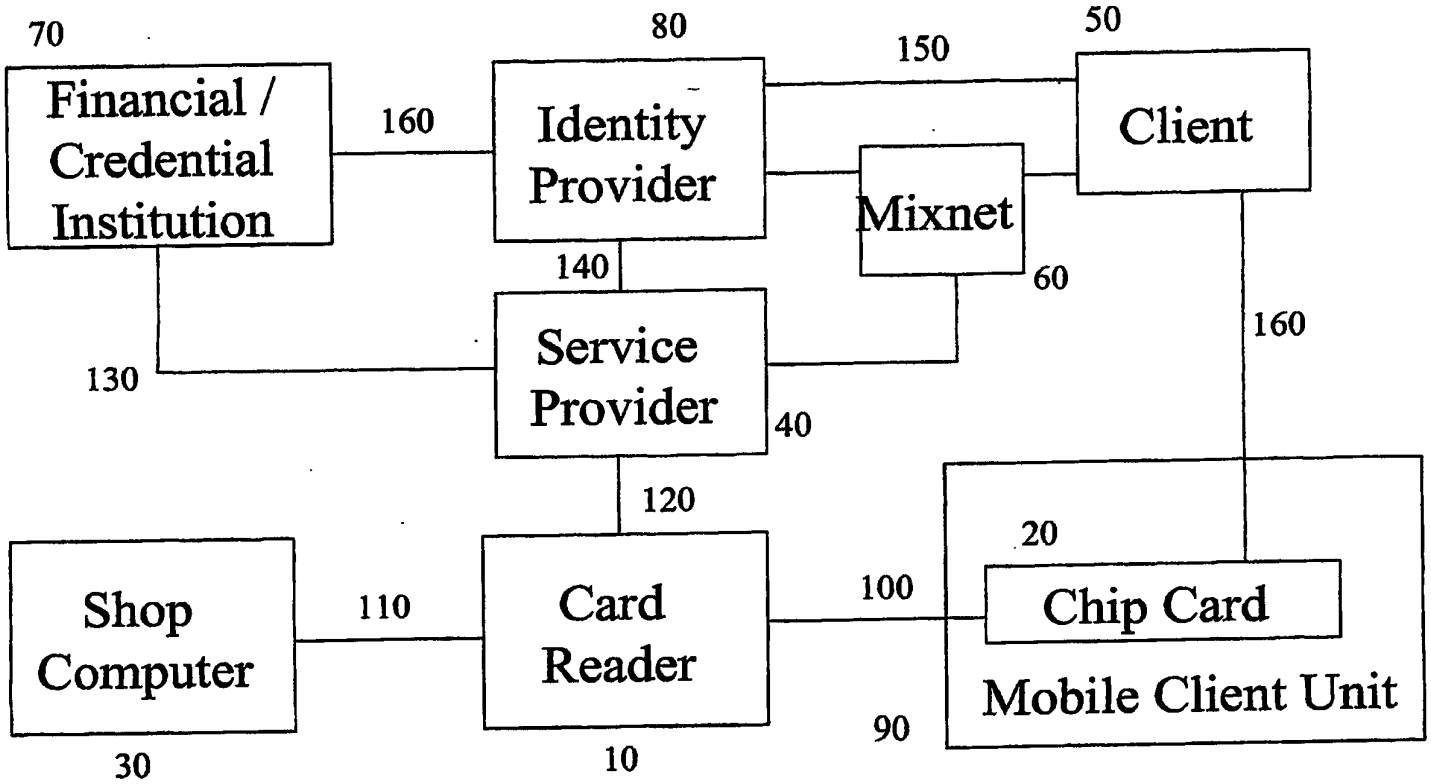
140 – Basic accountable relation



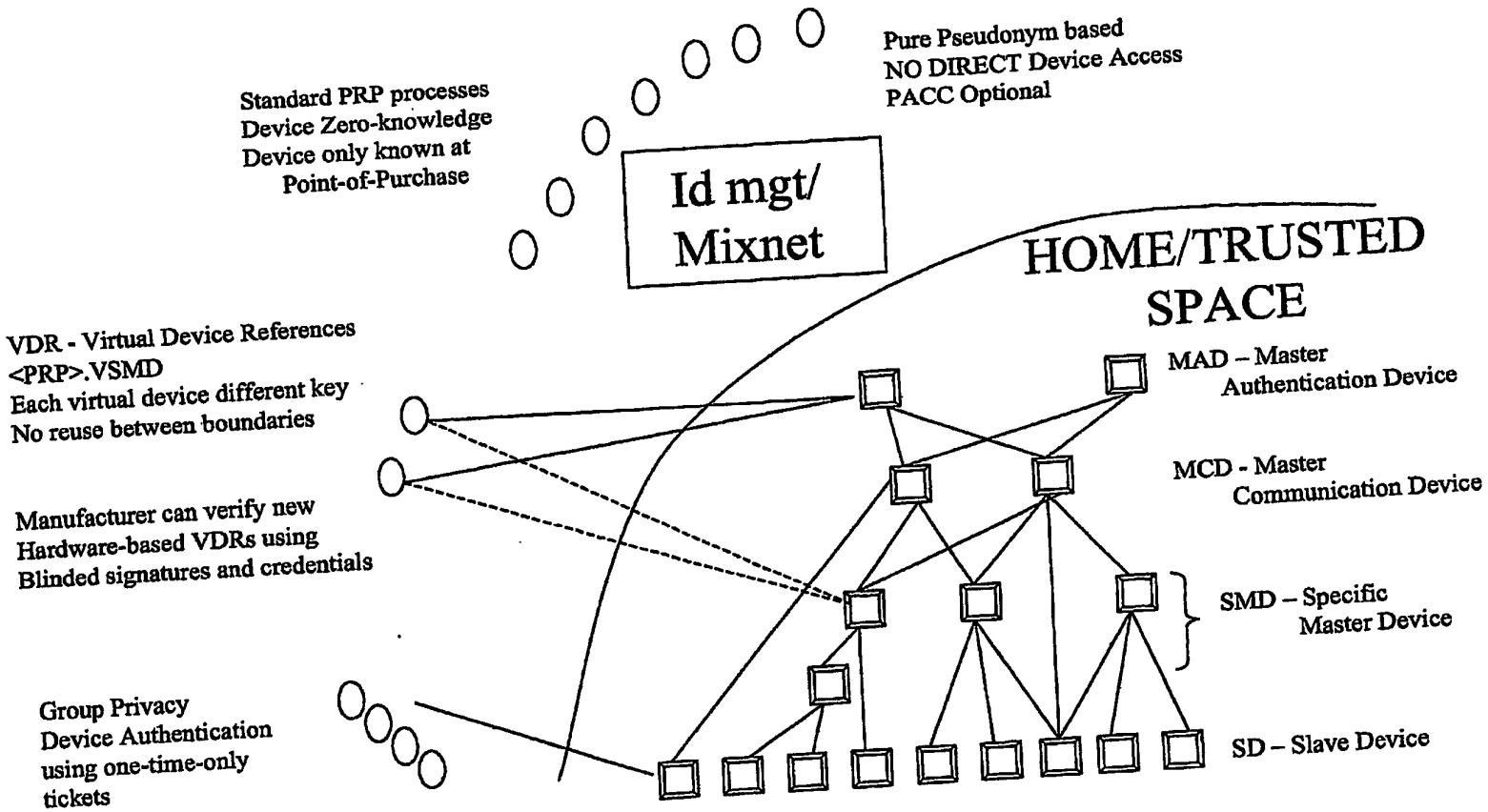
150 – Privacy Credit Card



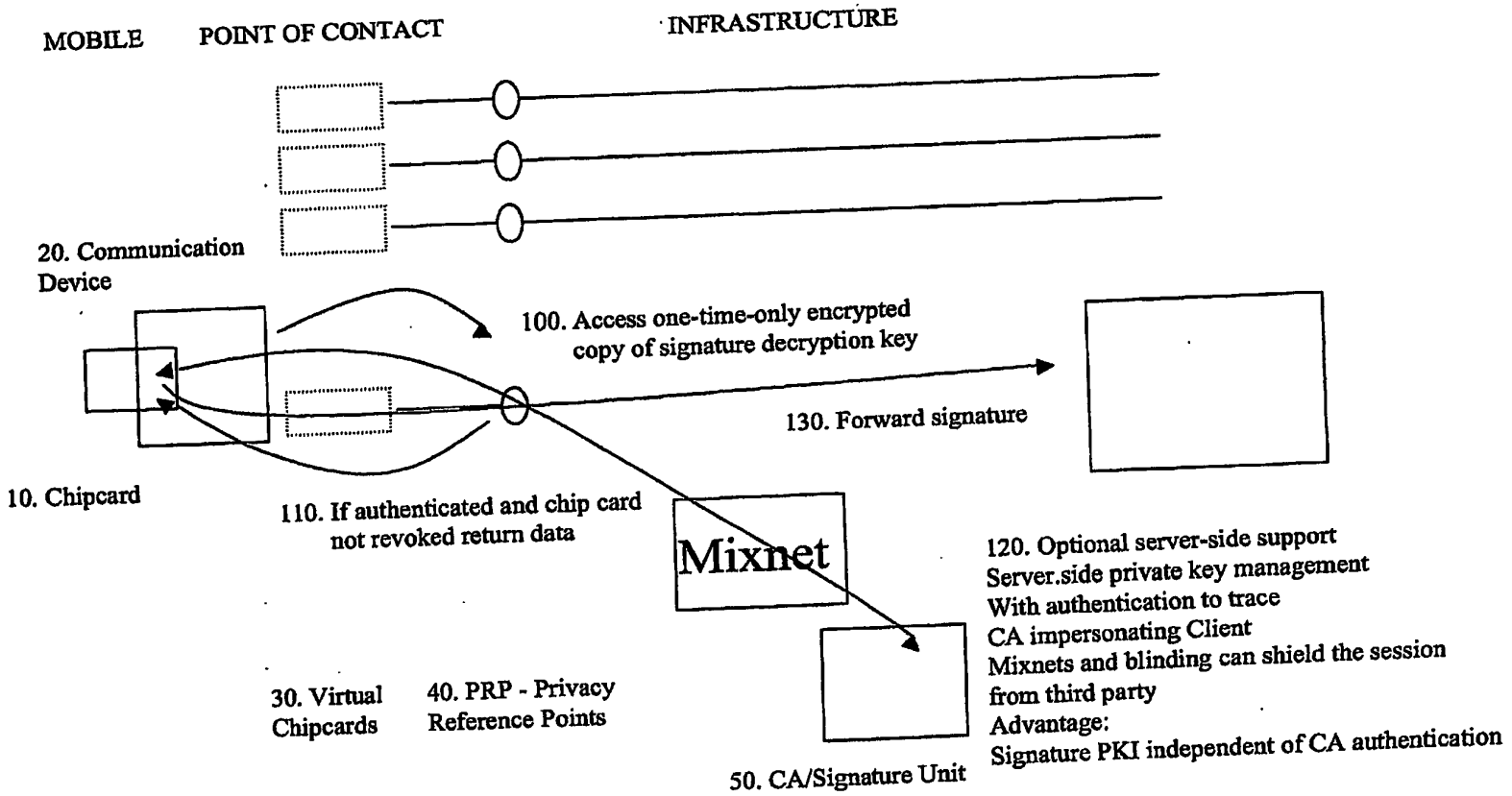
160 – Privacy Management



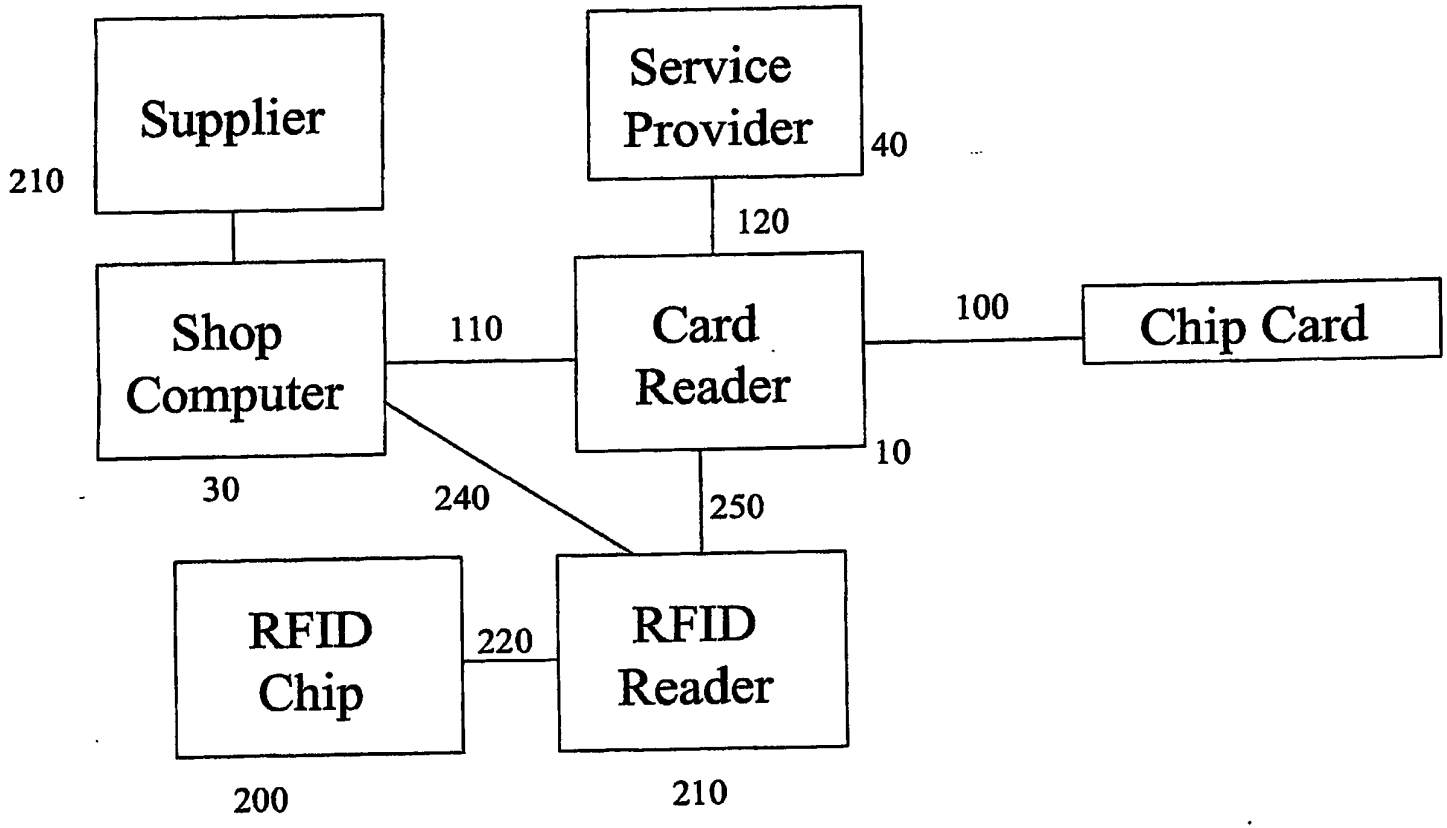
170 Device Authentication



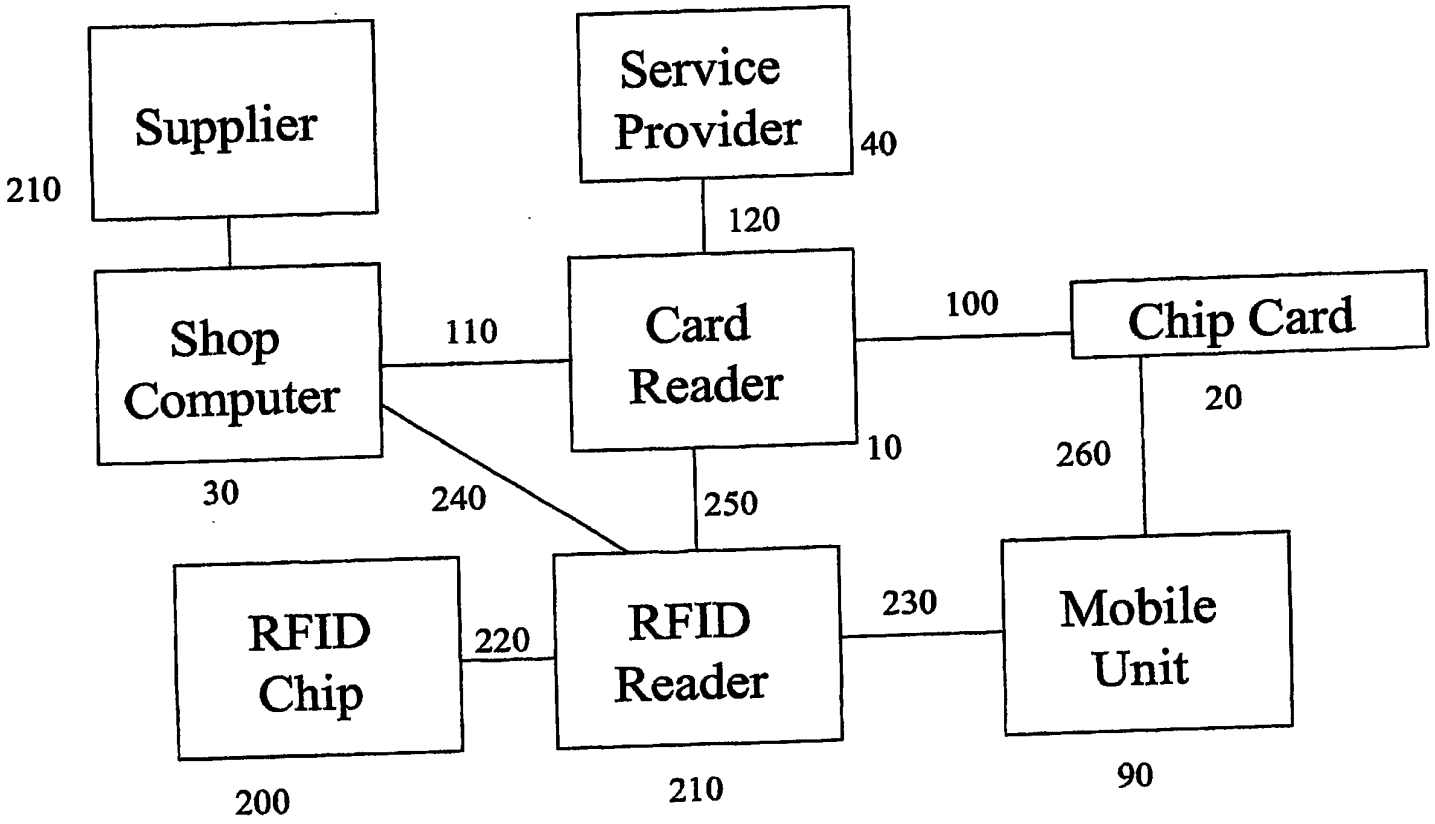
200 Managed Digital Signature



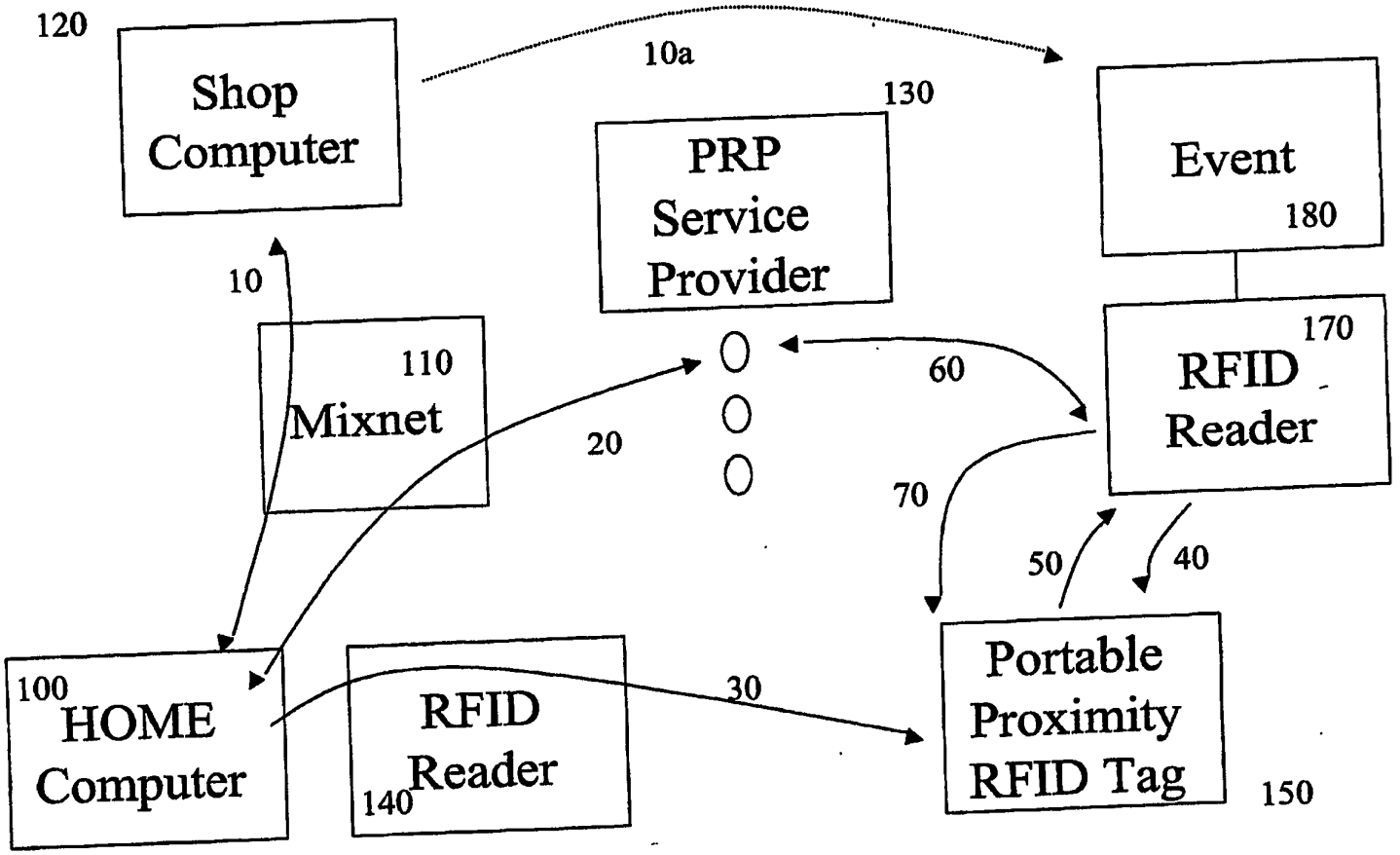
400 – RFID Infrastructure



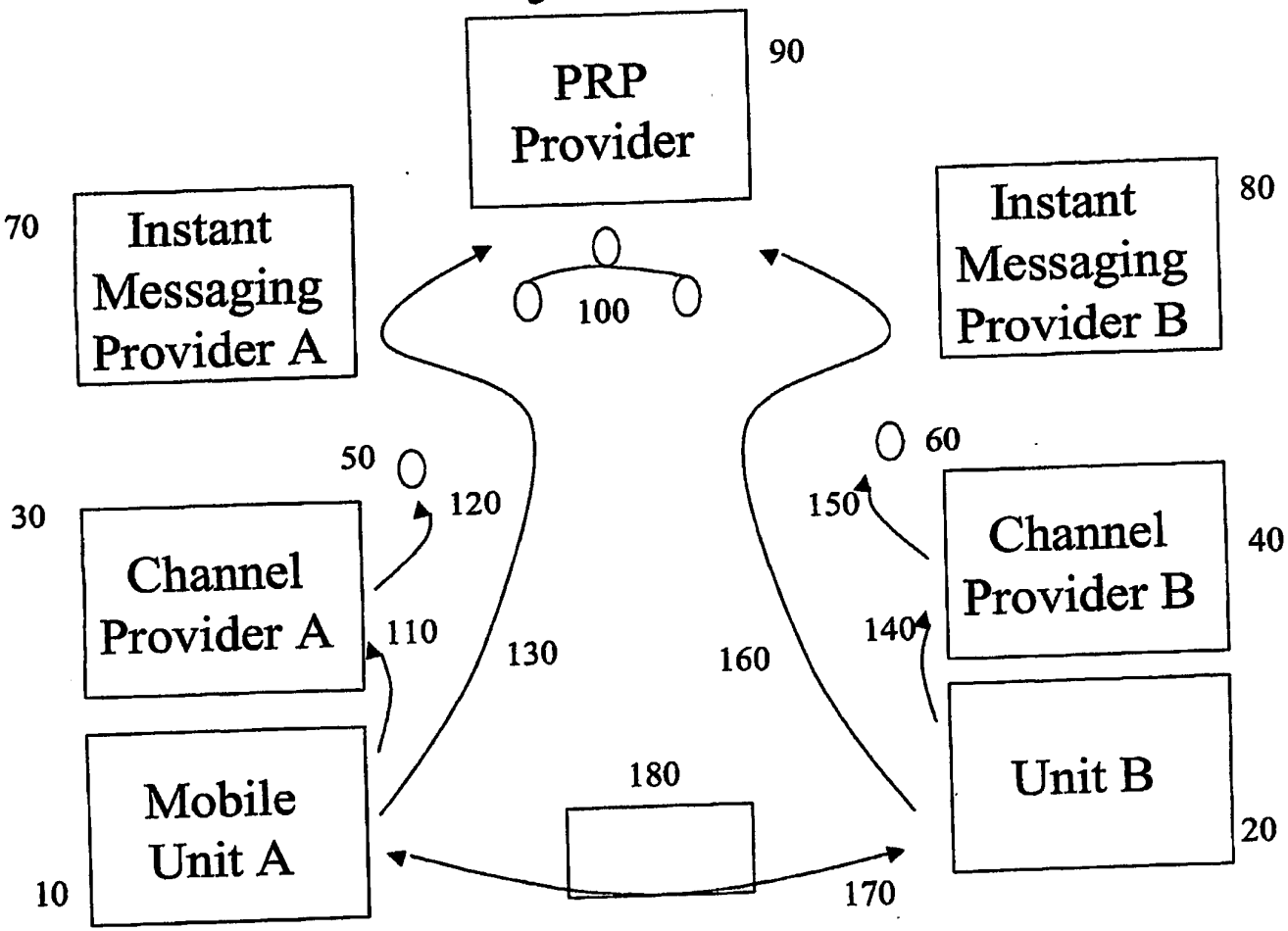
410 – RFID Authentication



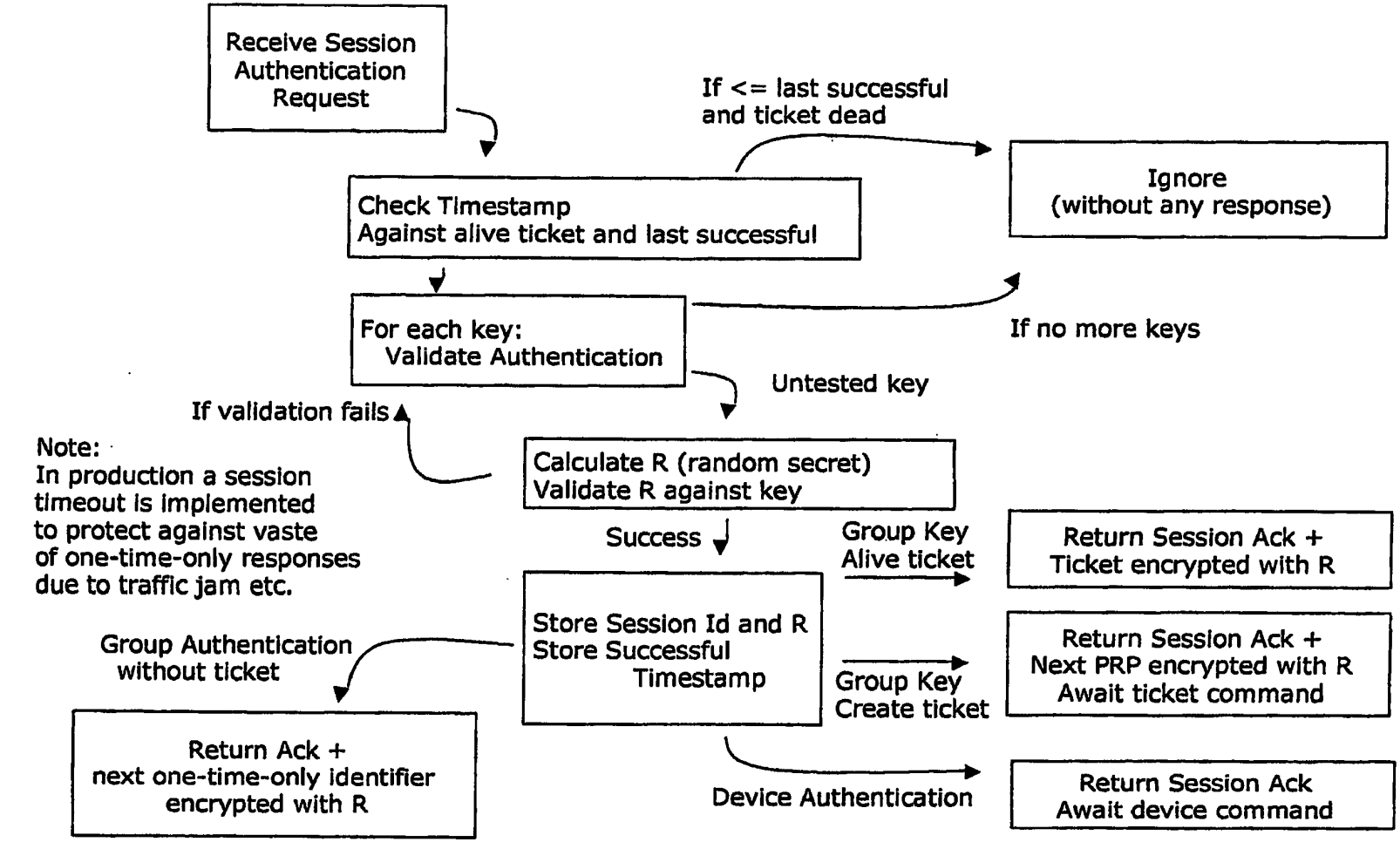
420 – Privacy Tickets RFID



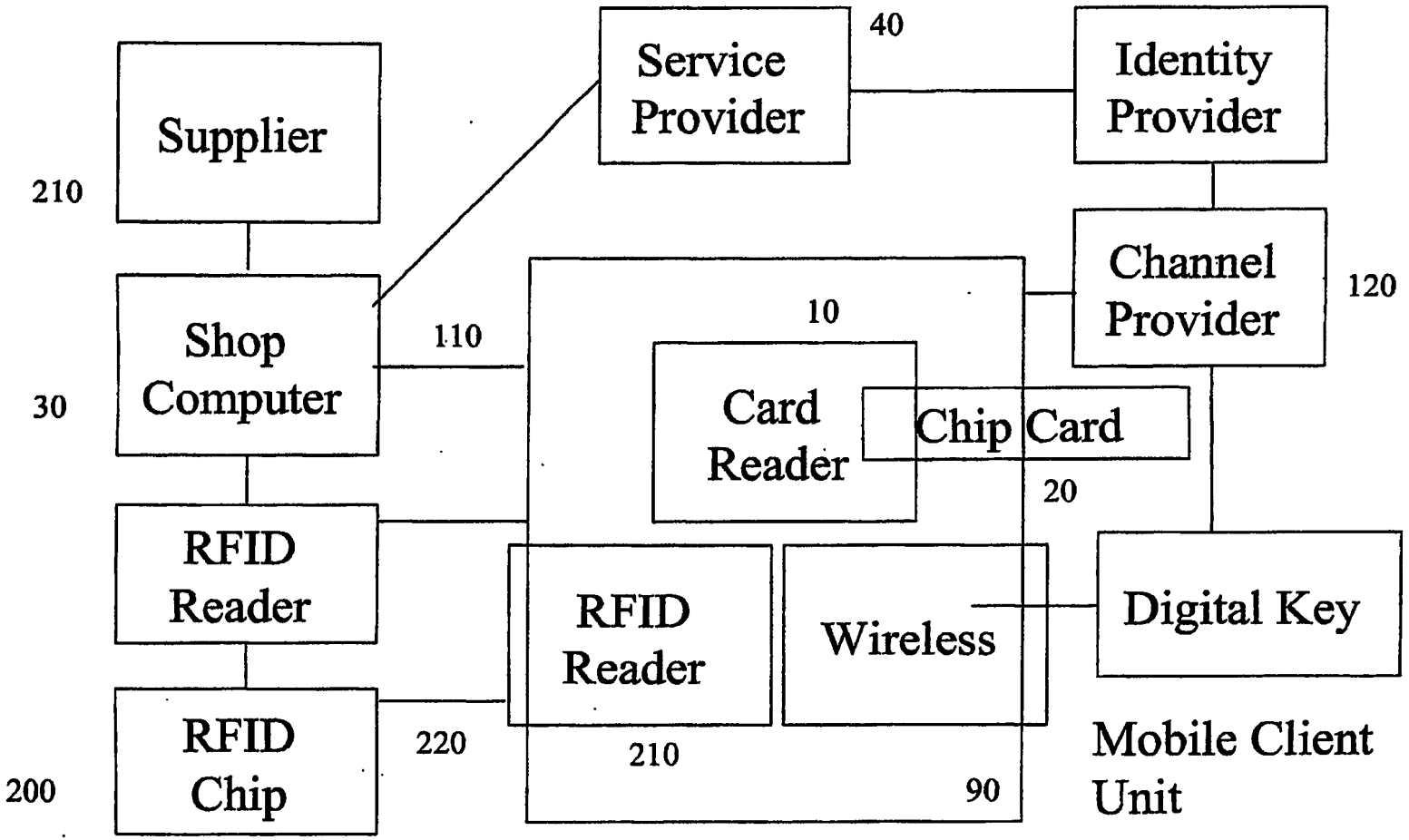
430 – Privacy Instant Messaging



440 Generic Tag Authentication



500 – Mobile Privacy



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